



IOWA GENERAL ASSEMBLY

Administrative Rules Review Committee

STATEHOUSE * ROOM 116 * DES MOINES, IOWA 50319 * (515) 281-3084/3355/4800
FAX (515) 281-5995/4424 * E-MAIL jroyce@legis.state.ia.us; egardysz@legis.state.is.us

THE RULES DIGEST

August 2006

Scheduled for committee review
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Senate Committee Room #22

Reference
XXVIV IAB No. 01(07/05/06)
XXVIV IAB No. 02(07/19/06)
XXVIV IAB No. 03 (08/02/06)

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HUMAN SERVICES DEPARTMENT

9:10

Preparation for adult living, IAB Vol. XXVIV No. 01 (07/05/06), ARC 5220, EMERGENCY.

The federal Foster Care Independence Act of 1999 (P.L. 106-169) has reformed and expanded the independent living program; the program is designed to help children in foster care prepare to become independent once they transition out of foster care at age 18.

The first part of this new program provides aftercare services, based on an individual self-sufficiency plan which has been developed through an assessment of the client's strengths and needs. The goal is to provide "life skills to enable youth to maintain a safe, healthy, and stable home."

The second part of the program is preparation for adult living (PAL), which provides financial support for clients receiving aftercare services. Clients must be either:

- Enrolled in a postsecondary educational training program or work training;

- Employed for an average of 30 hours or more per week; or
•Enrolled in a school or program attendance leading to a high school diploma or GED.

Each client receives a monthly stipend as determined by the client's self sufficiency plan. Clients must have been in state foster care for at least 6 of the last 12 months before the youth left foster care, and currently be in a stable living arrangement (apartment, dormitory, etc.).

HUMAN SERVICES DEPARTMENT

9:10

Medicaid for independent young adults, IAB Vol. XXVIV No. 01(07/05/06), ARC 5219, EMERGENCY.

This new Medicaid eligibility group was created in 2006 Iowa Acts, Senate File 2217; the terms of this Act authorized this emergency filing. Like the PAL program, this services is based on the Foster Care Independence Act. To be eligible clients must have been in state foster care on the client's 18th birthday and have income below 200 percent of the federal poverty level (almost \$20,000). Coverage may extend until the youth reaches the age of 21.

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HUMAN SERVICES DEPARTMENT

9:10

Proof of legal presence, IAB Vol. XXIV, No. 01, ARC 5217, ADOPTED.

This filing was initially reviewed by the committee, as an "emergency" rule, at the June meeting. As provided in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 USC 1621, §411) only citizens or persons who have "national" status (lawfully admitted aliens) may obtain public benefits. These rules set out a variety of documents that can be used; for example, a birth certificate in combination with some other identification, such as a driver's license. A driver's license alone is *not* sufficient identification unless the state that issued the license has verified the person's citizenship before issuing the license. An Iowa driver's license does not meet this standard.

HUMAN SERVICES DEPARTMENT

9:10

Personal needs allowance: nursing facility residents, IAB Vol. XXIV, No. 01, ARC 5211, EMERGENCY.

2006 Iowa Acts, House File 2319 directed the department to increase the personal needs allowance for residents in nursing facilities; that needs allowance is the amount of income a Medicaid resident is allowed to retain for clothing, toiletries, and other personal expenses. The current \$30 amount has not been changed since July 1988; this revision increases the allowance to \$50.

The language of the Act itself poses a question; it does not provide the increase to all facilities. The Act provides the increase to: "*a nursing facility as defined in section 135C.1...*" That statutory provision specifically defines a nursing facility as:

"... an institution ... which is primarily engaged in providing health-related care and services, including rehabilitative services, but which is not engaged primarily in providing treatment or care for mental illness or mental retardation [emphasis added] ..."

The plain language of the statute, without ambiguity, excludes care facilities for the mentally retarded from the definition of nursing facility; these institutions have a separate and specific definition in §131C.1. The emergency rule implements that plain language and thus excludes

care facilities for the mentally retarded from the increase in the personal needs allowance.

Section 504 of the federal Rehabilitation Act of 1973 protects individuals with disabilities from discrimination, *based solely on their disability*, in the provision of benefits or services under any program or activity receiving federal financial assistance. Under these provisions the government may not establish eligibility criteria for receipt of services or participation in programs or activities that screen out or tend to screen out individuals with disabilities. A similar prohibition is contained in §202 on the Americans with Disabilities Act of 1990.

However, it should be noted that the limitation in the Act does not per se discriminate against the disabled. All residents in a care facility are disabled to some degree, and some do suffer from mental illness or mental retardation. The language of the Act limits the benefit to a certain type of facility; it does not specifically relate to the type of disability.

HUMAN SERVICES DEPARTMENT

9:10

Update of average charges, IAB Vol. XXIV, No. 01, ARC 5213, EMERGENCY.

The department annually updates the average cost for a number of client services; these average costs are used in calculating reimbursement rates. The statewide average cost of nursing facility services is raised from \$3,697.55 to \$4,021.31 per month. Other changes include:

- Nursing facility care is raised from \$3,391 to \$3,733 per month.
- ICF/MR care is raised from \$11,138 to \$12,900 per month.
- Mental health institute care is raised from \$13,992 to \$14,582 per month.
- Psychiatric medical institution for children care is raised from \$4,477 to \$5,035 per month.

HUMAN SERVICES DEPARTMENT

9:10

State payment program (SPP), IAB Vol. XXIV, No. 03, ARC 5288, FILED WITHOUT NOTICE.

A "state" case is a person who has been provided services but who has not acquired legal settlement in any Iowa county---measured by residing in that county for one year. The state payment program (SPP) provides eligible adults who do not have

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legal settlement with fiscal access to 54 local services authorized through county management plans, in order to maintain and improve their self-sufficiency. The SPP can purchase services as needed for adults with a mental illness, mental retardation, and/or a developmental disability.

Under the provisions of 2006 Iowa Acts, House File 2780, §19, most of the state payment program appropriation will be allocated to counties. §19 of the Act requires the department to develop a methodology for distributing the appropriated funding to counties for county residents who receive state case services, on and after October 1, 2006. §19 also empowers the mental health, mental retardation, developmental disabilities, and brain injury commission to adopt emergency rules, "as necessary to implement the provisions", subject to prior review by the administrative rules review committee

The department now implements rules revising the administrative process for the state case program; it has not gone through a notice process. These rules have not been adopted by the commission nor were they presented to the administrative rules review committee (ARRC) for prior review. They have been adopted on an emergency basis using the process set out in §§17A.4. However, the effective date limitations in §17A.5 were not shortened. The effective date for this filing is October 1, 2006; thus the delay powers of the ARRC remain in effect.

Department representatives state that this filing is *not* the §19 "methodology" rulemaking which require commission adoption and prior ARRC review; instead these are rules implementing the more general statutory changes in previous sections of the Act, which do not require adoption by the commission or pre-approval by the committee. The department will present these rules to the commission for their input.

HUMAN SERVICES DEPARTMENT

9:10

IowaCare: payments in cash, IAB Vol. XXIV, No. 03, ARC 5286B, ADOPTED.

2005 Iowa Acts, chapter 167, divisions I and II create the IowaCare program; this Medicaid initiative expands medical, dental and other health-related care. The program covers persons 19 through

64 year of age, whose income is less than 200% of the poverty guideline; pregnant women, or the newborn child of a woman whose income is less than 300% of the guideline but within medical expenses that would reduce income to 200%.

IowaCare members must pay a monthly fee, based on income; the monthly fee ranges from \$1 to \$75. Services are available only at: the University of Iowa Hospitals and Clinics; Broadlawns Medical Center in Des Moines; or a state mental health institute. Using the process set out in this rule Broadlawns Medical Center will accept premium payments in cash, which will then be transported by armored car. The change is proposed in order to save clients the cost of a money order.

ADMINISTRATIVE SERVICES DEPARTMENT

10:00

State purchasing: procurement center of excellence, IAB Vol. XXIV, No. 03, ARC 5258B, ADOPTED.

Under previous rules a state agency could procure goods up to \$5,000 in value by using an informal competitive process utilizing three bids, as long as the goods were not available under a master contract. An agency could also purchase from a targeted small business.

In this revision an agency certified by the director as a "*procurement center of excellence*" may procure non-master agreement goods up to \$50,000, using a competitive process; purchases from a targeted small business remain unaffected. This designation may be obtained by completing a training course specified by the department. A master agreement is a contract, negotiated by the department, where the price of a good is already determined and an agency may simply purchase the good from the vendor at the contract price.

MEDICAL EXAMINERS BOARD

10:30

Licensing discipline, IAB Vol. XXIV, No. 02, ARC 5236B, ADOPTED.

The board re-writes existing procedures relating to licensee investigation and discipline. Essential the proposal takes one very large chapter of rules and breaks them down into subject-specific chapters; one dealing with mandatory reporting,

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one dealing with acts and omissions that can lead to discipline; and one setting out the procedures to adjudicate these allegations.

This revision begins with requirements for mandatory reporting of violations by other licensees. Very similar provisions promulgated by the board of dental examiners have already been controversial and sparked legislative action. New subrule 653 IAC 22.2, subrule 1 defines reportable conduct as "*a wrongful act or omission that may constitute a basis for disciplinary action under this chapter or any state law or administrative rule that gives the board jurisdiction over the conduct of a licensee. [emphasis added]*". This language is not substantially different from the current provision.

The issue is whether the term "disciplinary action" is beyond the scope of the statute, which provides, in §272C.4. subsection 6, Code 2005, that licensees report acts or omissions that are grounds for *revocation or suspension* of a license. The rule requires reporting of all acts and omissions while the statute appears to limit the requirement to more serious infractions.

The Dental Board adopted similar provisions which were referred to the general assembly for further study by the committee at its meeting on January 6, 2006. The Dental Board provisions were nullified by the General Assembly in 2006 (HJR 2006).

The rules also set out, in great detail, 35 acts or offenses for which the board can impose discipline, including suspension or revocation of a license, or a civil fine up to \$10,000. Each act or offense is specifically set out and either defined or explained using examples. These provisions ensure that licensees are put on notice as to what types of behavior or actions could lead to discipline. Again, these rules are not substantially different from the current provisions.

Two separate chapters establish procedures for handling complains, conducting investigations and holding disciplinary hearings pursuant to chapter 272C. Both procedures provide Due Process protections for licensees under investigation or facing more formal action.

The complaint and investigation process is particularly detailed and flexible, allowing the level

of investigation to be tailored to the seriousness of the alleged offense. All investigative information obtained by the board or its employees or agents, in the investigative process is privileged and confidential. The statement of charges, settlement agreement or decision of the board in a contested case is a public record.

REVENUE DEPARTMENT

10:45

Tuition credits, IAB Vol. XXIV, No. 02, ARC 5255B, NOTICE.

2006 Iowa Acts, Senate File 2409 provides for a school tuition organization tax credit. The credit equals 65 percent of the amount of the voluntary cash contributions made by the taxpayer to a school tuition organization. A tuition organization is a charity that is tax-exempt under federal law which allocates at least 90 percent of its revenue for tuition grants for children who are Iowa residents, in order to allow them to attend an accredited non-public elementary or secondary school of their parents' choice. The organization cannot provide grants for only one school.

The school tuition organization will issue tax credit certificates to each taxpayer who made a voluntary cash contribution to the school tuition organization. The credit is equal to 65 percent of the amount of the cash contribution.

This program is limited; credits for 2006 are limited to \$2,500,000 and thereafter limited to \$5,000,000. For this reason credits are apportioned to each organization by dividing the total amount of tax credit available by the total certified enrollment of all participating schools. This result is the per-student credit, which is then multiplied by the certified enrollment of each organization to determine the amount of credit authorized to that organization.

ETHICS AND CAMPAIGN DISCLOSURE BOARD

11:10

Miscellaneous revisions, IAB Vol. XXIV, No. 03, ARC 5266B, 5267B 5268B, 5269B, 5271B, 5276B, 5277B, 5278B, NOTICE.

The board proposes a variety of small revisions, some in response to new legislation, some implementing policy changes and some just basic clean-up. House File 2415 empower the board to

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adopt and enforce rules relating to the reporting of gifts, bequests, and grants under Code §8.7. That section was enacted in 2005 and requires all gifts, bequests, and grants received by a department or accepted by the governor on behalf of the state to be reported the board and the government oversight committees. The board proposes several editorial changes to reflect this responsibility, but substantive rules are not yet proposed.

In a second statutory revision, House File 2593 amends current provisions requiring that an official or employee of a *regulatory* agency obtain consent prior to selling goods or services subject to the regulatory authority of the official's or employee's agency. The revision expands this requirement to cover leases and allows blanket consents to be given, when appropriate.

The board also proposes a code of ethics specific to board members. A board member cannot make a monetary in-kind contributions to candidates for Iowa public office or serve on their campaign committees. Board members cannot contribute to a political action committee; however, contributions to a state party or a county central committee are permitted. Board members cannot run for office or endorse a particular candidate or ballot issue or serve as a delegate to a county or state convention. These prohibitions do not apply to federal elections since the board has no jurisdiction over federal candidates.

Another change relates to the payment for meals from campaign funds. Iowa law permits a candidate to use campaign funds to purchase tickets to a meal so long as the candidate's sole purpose in attending the event is to enhance the candidacy of any person. The current rule places a \$25 cap on the cost of a ticket for the candidate and another \$25 for one guest. That cap is eliminated.

ETHICS AND CAMPAIGN DISCLOSURE BOARD

11:10

Use of corporate property, IAB Vol. XXIV, No. 03, ARC 5273B, ADOPTED.

This significant rule change reverses prior board policy concerning the use of corporate property for campaign purposes. Prior rules allowed the "*occasional, isolated, or incidental use*" of

corporate property for campaign purposes; that term was carefully defined and basically covers a use which does not exceed one hour per week or four hours per month.

This limited allowed use did not appear in the statute. Iowa Code §68A.503 is a very detailed statute which prohibits the use of resources belonging to a financial institution, insurance company, or corporation to advocate for or against candidates except under certain circumstances which are specified in the statute itself.

ENVIRONMENTAL PROTECTION COMMISSION

1:00

Animal feeding operations: department evaluations, IAB Vol. XXIV, No. 02, ARC 5243, ADOPTED.

Confined feeding operations and open feedlots are both regulated through Iowa Code Chapters 459 and 459A and by Chapter 65 of the Environmental Protection Commission's rules. This adopted rule allows the department to evaluate proposed animal feeding operation sites based on a number of factors that are specifically set out in the rule. These factors relate to specific physical characteristics of the site itself, or the characteristics of any identified manure application areas. The presence of one or more of these factors create the possibility that stored or land applied manure might move into water sources, sensitive land areas or otherwise spread from the area designated for that manure. After completing its evaluation, the adopted rule authorizes the director of the Department of Natural Resources to take a variety of actions to restrict, condition or possibly deny the permitting of a proposed confinement feeding operation that is otherwise in compliance with the provisions of Chapter 65, if the director concludes that the proposed operation or expansion "would reasonably be expected to cause" pollution of a water of the state; violation of state water quality standards; or an unreasonable burden on natural resources or the environment.

Pursuant to 567 IAC 65.10, subrule 8, the applicant may contest the department's decision with a contested case hearing. The applicant may elect to have the hearing conducted as a contested case before an administrative law judge or before the commission. The commission may uphold,

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reverse or modify the department's decision. That decision may be further appealed into the district court.

The filing has been controversial because it adds a degree of uncertainty to the permitting process. Under the prior provisions, compliance with the requirements of chapter 65 resulted in the issuance of a permit and any later regulatory action was based on an actual violation. This rule allows the director to consider the likelihood of a future environmental damage as part of the initial permitting process. However, the evaluation factors do provide standards that limit the directors discretion and require specific findings of fact.

This filing was initially placed under notice in February; legislation to modify its' provisions was enacted by the legislature, but it was vetoed by the Governor. House File 2377 would have eliminated a current provision allowing the department to establish standards for the issuance of construction permits, limiting those permit standards to the statute itself. The Act would have empowered the director to evaluate operating animal feeding operations and to issue advisory warnings to the landowners. However, those warnings would not impose any actual duty on the operation owner.

ENVIRONMENTAL PROTECTION COMMISSION

1:00

Uniform Environmental Covenants Act (UECA), IAB Vol. XXIV, No. 02, ARC 5245B, ADOPTED.

2005 Acts, Senate File 375 enacts the Uniform Environmental Covenants Act (UECA). This nation-wide model was created by the National Conference of Commissioners on Uniform State Laws; the Act relates to environmental land use restrictions that can be placed on property subject to environmental remediation (e.g.: a Brownfields project). In essence an environmental covenant can be used control the future use of a Brownfields property when it is transferred from one person to another.

By May, 2005 some seven states, including Iowa have adopted the Act.

The environmental covenant must contain a legal description of the property subject to the covenant and also describe the activity and use

restrictions for the property, as well as the persons who hold of the covenant. The environmental covenants created under UECA are based upon traditional property law principles; they are recorded in the recorders office and will bind successive owners of the property. State and local governments have clear rights to enforce the land use restrictions.

Restrictions contained in an environmental covenant "run with the land"; i.e.: the restrictions will bind subsequent owners of the property---and can be perpetual.

ENVIRONMENTAL PROTECTION COMMISSION

1:00

Regulatory analysis: septic tanks, IAB Vol. XXIV, No. 01.

ARC 5042B was published as a notice on April 12th, 2006. That proposal, implementing newly enacted House File 834, would modify the licensing of persons who pump septic tanks by requiring higher fees and the inspection of vehicles and land application sites. The proposal was reviewed by the Administrative Rules Review Committee at its meeting on May 9, 2006; the committee requested a regulatory analysis. Committee members were concerned about the impact on counties, which will have the responsibility of enforcing the application and licensing standards created by the EPC.

The analysis indicates that the licensing fees will raise approximately \$85,000, which should be adequate to provide for inspections. It indicates that the EPC could contract with perhaps 10 large counties and each county would receive about \$8,500 to do the inspections

NATURAL RESOURCES DEPARTMENT

1:45

Game harvest reporting and landowner-tenant registration, IAB Vol. XXVIII, No. 25, ARC 5222B, ADOPTED.

Under this rule the deer and turkey hunter whose name is on the transportation tag must report each deer and wild turkey harvested to the department. Reports must be made by the day after the kill, before the deer is taken to a locker, before the deer is processed for consumption, or before the hunter leaves the state, whichever occurs first.

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The filing also sets out the application process for free and reduced-fee deer and wild turkey hunting licenses. Proof of eligibility was a serious issue when this process appeared under notice in March. Initially the required documentation contained social security information and commenters objected to providing this highly sensitive information. This has now been (hopefully) resolved; the rule now requires only the taxpayer identification number (ID) or parcel identification number (PIN) from the landowner's current property tax statement. This information is already in the public domain.

VETERANS AFFAIRS DEPARTMENT

2:00

Injured veterans grant program, IAB Vol. XXIV, No. 01, ARC 5179B, EMERGENCY.

Senate File 2312 created the Injured Veterans Grant Program. This program provides immediate financial assistance to the veteran so that family members may be with the veteran during recovery and rehabilitation from an injury or illness received in the line of duty in a combat zone or in a designated hostile fire zone. Eligibility for assistance is retroactive to September 11, 2001. The veteran must be an Iowa resident and the injury or illness must be so severe that the resident was evacuated from the combat zone.

The Act utilizes the word "veteran", which implies that the individual is no longer a member of the military. The rules prevent any possible misinterpretation by defining the term to include a person who is currently serving or has served (honorable discharge required) in the active military, naval, coast guard, or air force armed services. Financial assistance grants are available in increments of \$2,500 up to a maximum of \$10,000 in the following manner:

- \$2,500 when veteran is medically evacuated from the combat zone.
- \$2,500 30 days after evacuation date if still hospitalized, receiving medical treatment or rehabilitation.
- \$2,500 60 days after evacuation date if still hospitalized, receiving medical treatment or rehabilitation.

- \$2,500 90 days after evacuation date if still hospitalized, receiving medical treatment or rehabilitation.

IOWA FINANCE AUTHORITY

2:15

2007 Qualified Allocation Plan (low-income housing tax credits), IAB Vol. XXIV, No. 01, ARC 5228B, NOTICE.

Iowa law authorizes the authority to issue tax credits as an incentive to developers for construction or rehabilitation of low income housing; the tax credit is received for ten years. Each year the authority updates the program for the current fiscal year. Generally, by issuing tax credits the program encourages private developers to build or refurbish low income housing. The housing must include affordable units for individuals or families having an income that is at 60 percent or below the area median gross income (AMGI). The units must remain in compliance for a minimum period of 30 years.

The 2007 amendments make minor, technical changes to the current program. No more than 15 percent of the available tax credits will be awarded to a single developer/consultant who has multiple projects; with a \$600,000 cap for single projects. This cap may be raised 30 percent if there are projects located in certain target areas. The intent of the cap is ensure that no single applicant can receive an excessive share of the available tax credits in any application cycle.

The program contains several earmarked projects. 10 percent of the grant ceiling is set-aside for qualified non-profit organizations. 20 percent of the ceiling is set aside for projects in which at least 60 percent of low-income units are both rent restricted *and occupied* by individuals whose income is 40 percent or less of median gross income, and up to 40 percent of the low-income units are both rent restricted and occupied by individuals whose income is 60 percent or less of the median. 10 percent of the credits are set aside for affordable assisted living projects that include low-income units. New for 2007, five percent of the credits are set aside for rural projects.

The authority does reserve the discretion to limit awards on a geographic basis, regardless of the scoring. Those limits can be: 144 units in Polk County; 96 units in Black Hawk, Dubuque,

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Johnson, Linn, Pottawattamie, Scott, Story, and Woodbury counties, and 48 units for all other counties except the non-central counties located in a metropolitan statistical area; these will be limited to a combined 48 units, unless IFA determines, using its sound and reasonable judgment, to award Tax Credits for a greater number of units.

Applications are evaluated according to a detailed set of weighted criteria. In *very* abbreviated form the criteria can be summarized as:

- Tenant related categories. (100 points maximum). Projects serving larger families or "special needs" groups receive additional points. New for 2007, Projects serving special needs groups must provide no less than \$100 per tax credit funded unit annually for the provision of "supportive services".
- Compliance period related categories. (20 points maximum). Projects committed to longer than 15 years and projects that can result in tenant ownership receive additional points.
- Location related categories. (55 points maximum). Projects located in certain designated areas or near certain specified services or amenities receive additional points.
- Project characteristics related categories. (125 points maximum). Rehab or restoration projects receive additional points.
- Developer characteristics related categories. (20 points maximum).

IOWA FINANCE AUTHORITY

2:15

State housing trust, IAB Vol. XXIV, No. 01, ARC 5229B, ADOPTED.

§16.181, Code 2005, creates a "Housing Trust Fund" within the Iowa Finance Authority (IFA), for the development and preservation of affordable housing for low-income people. For 2007 IFA proposes minor changes in the program.

Money in the fund does not revert to the general fund. The fund consists of two programs: the local housing trust fund and the project based program. For each program applications are evaluated based on a series of weighted criteria, set out in the program. Both programs include a requirement for a local match, but that match is not limited to cash. CDBG grants can qualify as a match; however, HUD home funds cannot. A local match is broadly interpreted and can include such things as land, buildings, infrastructure, cash, tax increment financing proceeds, tax abatement,

Brownfield remediation, private contributions, loans at substantially below market interest rates or with other favorable features.

60 percent of the fund is to be allocated to the local housing trust. A local fund must have a local governing board responsible for coordinating local housing programs as recognized by the city, county, council of government or regional officials. No more than half the board may be local elected officials. It must serve an area with at least 10,000 in population. No single award can exceed 10 percent of the balance of the fund, plus 10 percent of any deposits. No more than 10 percent of an award can be used for administration.

In geographic areas of 50,000 or more population, awards may be up to \$200,000; for smaller areas the awards are limited to \$100,000. The local fund must be used to benefit low income persons (80 percent of the *greater* of the county or the statewide median income); however, 30 percent of the moneys must serve extremely low-income people (30 percent of the *greater* of the county or the statewide metro or non-metro median income). This requirement can be met through assistance to homeless or domestic violence shelters, transitional housing projects, housing for persons with disabilities, etc. A 25 percent local match is required, a higher match will increase the applicants score. Applicants must meet a minimum score of 75 in order to be considered for funding:

- Need for housing in the community 0-25 points;
- Impact of activity 0-25 points;
- Financial & overall feasibility of activity 0-25 points;
- Leveraging & partners in activity 0-25 points;
- Administrative capacity of eligible applicant 0-15 points
- Timeline of fund activity 0-05 points;
- Newly formed local fund 0-25 points.

40 percent of the fund is allocated to project based programs. The maximum application amount is \$90,000. The programs must be sponsored by local governments or non-profit organizations and organized for the purpose of developing and preserving single and multi-family housing for low-income persons (80 percent of the median income). Owner-occupied rehabilitation is not eligible under this program. A 10 percent local match is required, a higher match increases the applicants score. Applicants must receive a minimum score of

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75 in order to be considered for funding; the criteria are summarized below:

- Need for housing in the community 0-25 points;
- Impact of project 0-25 points;
- Financial & overall feasibility of project 0-25 points;
- Leveraging & partners in project 0-25 points;
- Administrative capacity of project sponsor 0-15 points;
- Timeline 0-05 points.

IOWA FINANCE AUTHORITY

2:15

Military service member home ownership assistance program, IAB Vol. XXIV, No. 03, ARC 5290B, EMERGENCY.

The military service home ownership program was created in 2005; in 2006 Iowa Acts, House File 2080 appropriated \$2,000,000 to expand the program, to help eligible members of the armed forces of the United States to purchase qualified homes in Iowa through matching grants. To be eligible an applicant must have served in the armed forces for at least 90 days between 9/11/01 and 06/30/07. There are no income or home price limitations.

Grants are a dollar-for-dollar match of the eligible applicant's contribution toward the purchase price of a qualified home, up to a maximum of \$5,000. All proceeds of these grants must be applied to the purchase of a qualified home. A qualified home does not include farmland, commercial property a motor home or a mobile home.

IOWA FINANCE AUTHORITY

2:15

Closing protection letters, IAB Vol. XXIV, No. 03, ARC 5293B, NOTICE.

The title guarantee division of the authority proposes a new tool to ensure the integrity of the program—the closing protection letter. As part of a real estate closing mortgage lenders often entrust large sums of money to closing agents who handle the details of a real estate closing. National lenders especially are hesitant to do this without some protection against loss caused by actions of the local closer; for title division guarantees this is an Iowa attorney or abstractor.

The closing protection letter is an agreement by a title guarantee division to indemnify a lender, for loss caused by a closer's fraud or dishonesty or by the closers's failure to follow the lender's written closing instructions. An attorney or abstractor wishing to become a "division closer" must make application to the title guarantee division and meet requirements relating to indemnity agreements, criminal background checks, and insurance requirements. Each closer must enter into a written agreement with the division which outlines the responsibilities of the closer, including the management of escrow accounts.

PUBLIC SAFETY DEPARTMENT

2:45

Fire fighter training and equipment funds, IAB Vol. XXIV, No. 02, ARC 5255B, EMERGENCY.

The Department of Public Safety houses the fire service training bureau and the state fire service and emergency response council. In response to 2006 Iowa Acts, House File 2782, the department adopts a re-write of existing rules relating to the fire fighter training and equipment fund. Section 44 of the Act call for the creation of regional emergency response training centers; the "lead public agency" for the training centers are the community colleges, which are partnered with local service providers.

This emergency rule identifies the specific state appropriation allocated for the establishment of each center. The funding levels were set in the Act itself, which allocated \$2,300,000 for the planning, design, and construction of regional emergency response training centers. The funding is not automatic, each lead agency must file an application which justifies the proposed location of the regional emergency response training center. Each application is then reviewed by the emergency response council or by a subcommittee of the council, which can recommend funding, partial funding, or denial of each application to the fire marshal. The fire marshal will make a determination as to whether funding will be awarded in whole or in part for each application or whether the application will be denied. An appeal process is provided.

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COLLEGE STUDENT AID COMMISSION

No Rep

Student loan defaults: income tax set-off, IAB Vol. XXIV, No. 01, ARC 5225B, EMERGENCY.

The commission is reorganizing its powers in recovering defaulted student loans into one chapter; these are existing provisions that are being moved and updated. In addition to traditional debt collection procedures and a process for administrative garnishments, the commission can follow a license sanction process to suspend, revoke or deny issuance or renewal of a variety of licenses, and may also seek to offset the debt from any state income tax refund or rebate that may be owing the debtor.

EDUCATIONAL EXAMINERS BOARD

No Rep.

Proof of legal presence, IAB Vol. XXIV, No. 02, ARC 5247B, ADOPTED.

This issue is similar to the adopted Human Services Department rule presented above. Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 USC 1621, §411) only citizens or persons who have "national" status (lawfully admitted aliens) may obtain public benefits; that term includes a professional license and the board implements rules detailing the required proof of lawful residence.

Acceptable documents must either establish citizenship or lawful alien status. Examples are set out in the rules, they include: a birth certificate from a state or possession of the United States, a passport, a certificate of naturalization or a number of specified immigration and naturalization forms.