

**MINUTES OF THE OCTOBER 2016 MEETING
OF THE
ADMINISTRATIVE RULES REVIEW COMMITTEE**

- Date of meeting: The regular, statutory meeting of the Administrative Rules Review Committee (ARRC) was held on Tuesday, October 11, 2016, in Room 116, State Capitol, Des Moines, Iowa.
- Members present: Senator Wally Horn, Chair, and Representative Dawn Pettengill, Vice Chair; Senators Mark Chelgren, Mark Costello, Thomas Courtney, and Pam Jochum; Representatives Lisa Heddens, Megan Jones, Rick Olson, and Guy Vander Linden were present.
- Also present: Jack Ewing and Tim Reilly, Legal Counsel; Stephanie A. Hoff, Administrative Code Editor; Colin Smith, Administrative Rules Coordinator; fiscal staff; caucus staff; and other interested parties.
- Convened Sen. Horn convened the meeting at 9 a.m.
- Fiscal overview** Christin Mechler presented the LSA fiscal report. Also representing the LSA fiscal services division was fiscal analyst Jeff Robinson.
In response to a question from Sen. Costello regarding ARC 2736C, Mr. Robinson explained that the combination of a reduction in the percentage of the state solar energy system tax credit and the increase in the annual credit cap will increase the dollar value of credits redeemed annually.
- ACCOUNTANCY EXAMINING BOARD** Lori SchraderBachar represented the board.
- ARC 2719C No action on amendments to 2.1(3) and 9.5(2) regarding recognition of foreign accountant designations for CPA certification in Iowa and an update of the board address.
- AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT** Margaret Thomson represented the department.
- ARC 2708C Proposed amendments to 45.52(4) concern the certificate of completion related to the pesticide applicator continuing instruction course.
Rep. Jones expressed appreciation for the rule making. In response to a question from Sen. Courtney, Ms. Thomson agreed to follow up regarding the training given to pesticide applicators concerning the protection of bees.
- ARC 2720C No questions on proposed amendments to 62.26(4) regarding standardbred registration related to Iowa-foaled horse status.
- HOMELAND SECURITY AND EMERGENCY MANAGEMENT DEPARTMENT** John Benson represented the department. Other interested parties included Dane Schumann on behalf of the Iowa Emergency Management Association.
- ARC 2713C No questions on proposed amendments to 7.4(2), related to emergency management employees, specifically, the removal of the prohibition from their seeking elective office.
Mr. Schumann expressed support for the amendments.
- INSURANCE DIVISION** Dennis Britson represented the division.
- ARC 2718C The proposed rescission of ch 140 and proposed adoption of ch 101 in lieu thereof pertain to burial sites and cemeteries.
In response to questions from Sen. Horn, Mr. Britson addressed the work of division compliance officers, the care of pioneer cemeteries, the investigation of complaints and the appropriate use of perpetual care funds. In response to a question from Rep. Vander Linden, Mr. Britson stated that no one attended the October 4, 2016, hearing, and no written comments had been received to date.
- ARC 2724C The proposed rescission of ch 24 and proposed adoption of ch 102 in lieu thereof concern Iowa retirement facilities.
Mr. Britson agreed to confer with Rep. Pettengill regarding provisions from existing ch 24 which have not been included in proposed ch 102.
- ARC 2727C No action on amendments to ch 21 pertaining to requirements for surplus lines, risk retention groups and purchasing groups.
- ARC 2728C No action on the rescission of ch 23 and adoption of ch 104 in lieu thereof regarding motor vehicle service contracts.

Insurance Division (continued)

- ARC 2729C No action on the rescission of ch 54 and adoption of ch 103 in lieu thereof pertaining to residential service contracts.
- ARC 2730C No action on amendments to ch 100 concerning sales of cemetery merchandise, funeral merchandise and funeral services.
- ARC 2731C No action on amendments to 50.60, 50.70 and 50.90 pertaining to the regulation of securities offerings and those who engage in the securities business.
In response to an inquiry from Rep. Pettengill, Mr. Britson explained that action by the division through legislation or rule making related to crowdfunding would be premature pending federal rule making.

IOWA FINANCE AUTHORITY Mark Thompson represented the authority.

- ARC 2723C No action on amendments to 12.1 and 12.2 regarding low-income housing tax credits.

MEDICINE BOARD Mark Bowden represented the board.

- ARC 2705C No action on amendments to 13.2(8) concerning recommended pain management resources.
- ARC 2706C No action on amendments to 25.18(1) regarding the composition of a panel that hears disciplinary proceedings.

PROFESSIONAL LICENSURE DIVISION Tony Alden, Susan Reynolds and Judy Manning represented the division.

- ARC 2717C No action on amendments to 5.17 pertaining to license fees for polysomnographic technologists and respiratory care and polysomnography practitioners.
- ARC 2722C No action on amendments to chs 21 and 24 regarding continuing education for barbers.
- ARC 2738C Proposed amendments to chs 31 and 32 pertain to licensure and continuing education for marital and family therapists and mental health counselors.
In response to an inquiry from Rep. Pettengill, Ms. Manning explained that, in Item 9, the requirements for a supervisor are effective as of October 1, 2020, to allow current licensees adequate preparation time to meet the supervisor requirements.

PHARMACY BOARD Sue Mears represented the board.

- ARC 2721C Proposed amendments to ch 8 pertain to universal practice standards related to opioid antagonists and epinephrine auto-injectors.
In response to an inquiry from Sen. Chelgren, Ms. Mears explained that for the opioid antagonists and epinephrine auto-injectors, the requirement that the address of the receiving entity appear on the label is removed.

PUBLIC HEALTH DEPARTMENT Susan Dixon, Don Callaghan, Carmily Stone and Randy Lane represented the department.

- ARC 2725C No questions on proposed amendments to ch 77, related to local boards of health, specifically, district board formation, city board dissolution and Iowa public health standards.
- ARC 2726C No questions on proposed amendments to ch 43 pertaining to minimum requirements for radon testing and analysis.
- ARC 2732C Proposed amendments to ch 7 regarding the immunization registry information system are related to the meningococcal vaccine, the confidentiality and release of information, and access to the system.
In response to questions from Sen. Costello, Mr. Callaghan stated that the meningococcal vaccine is effective in preventing a bacterial infection in an individual and explained the requirements for immunization of seventh and twelfth graders. In response to questions from Rep. Pettengill, Mr. Callaghan stated that the number of meningococcal disease cases has declined over the years and there is an average of five cases annually, that the disease has a significant impact on individuals who contract it, and that there are two manufacturers of the vaccine. At the request of Rep. Pettengill, Mr. Callaghan will provide the committee with the age breakdown of the five most recent cases of meningococcal disease in Iowa.
- ARC 2733C No questions on proposed amendments to ch 127 regarding payment for services for county medical examiners. Rep. Pettengill commended the rules and the collaboration between the department and the auditors.

Public Health Department (continued)

ARC 2734C Proposed amendments to ch 26 pertain to backflow prevention assembly tester registration.

In response to questions from Rep. Pettengill, Mr. Lane explained that the fee to become an authorized trainer is \$200 for a five-year period, and Ms. Stone agreed to provide to the committee the cost to a third party for 32 hours of training.

ARC 2735C No questions on proposed amendments to ch 73 pertaining to the special supplemental nutrition program for women, infants, and children (WIC).

REAL ESTATE APPRAISER EXAMINING BOARD Brandy March represented the board.

ARC 2710C No questions on proposed amendments to chs 1 and 2 and the adoption of ch 17 pertaining to organization and administration, definitions, and supervision by the superintendent of banking.

REAL ESTATE COMMISSION Lori SchraderBachar represented the commission.

ARC 2712C No questions on proposed amendments to chs 3 to 5 regarding licensure of brokers, salespersons and nonresident licensees.

REVENUE DEPARTMENT Adam Humes and Ben Clough represented the department.

ARC 2707C No action on amendments to 71.20(3)“c” and 71.20(4)“a,” related to property tax assessments and equalization, specifically, notice to taxpayers and the date for filing a protest.

ARC 2736C No questions on amendments to chs 42 and 52 regarding the solar energy system tax credit.

ARC 2737C Proposed amendments to chs 42, 52 and 58 pertain to the calculation of the alternative minimum tax (AMT) credit.

In response to a question from Rep. Pettengill, Mr. Humes stated that within the statute of limitations, taxpayers affected by the change in rule of the calculation of the AMT credit would receive refunds.

ARC 2739C No action on amendments to 46.3(3) regarding the verified summary of payments report and electronic filing of W-2 and 1099 forms related to withholding.

TREASURER OF STATE Karen Austin and Adam Phillips represented the treasurer of state. Other interested parties included Paula Dierenfeld on behalf of the Federation of Iowa Insurers.

ARC 2716C Proposed ch 9 pertains to unclaimed property. Ms. Austin reviewed the proposed rules and explained which rules would be revised or not adopted because of public comment received, including 9.14 to 9.17 regarding insurance property.

In response to a question from Sen. Jochum, Ms. Austin stated that just over \$320 million is held in the unclaimed property account and that approximately \$219 million in unclaimed property has been returned.

Ms. Dierenfeld expressed concern regarding the rules related to insurance property and estimation techniques by third-party auditors and acknowledged Ms. Austin’s earlier statement of the treasurer’s intention not to adopt these rules.

UTILITIES DIVISION Cecil Wright and Katelyn Lynch-Butcher represented the division.

ARC 2711C No action on amendments to chs 10, 19, 20 and 25 concerning updates and corrections to the natural gas and electric safety standards.

ARC 2714C The proposed rescission of ch 30 pertains to tax reform revenue adjustment.

In response to a question from Rep. Heddens regarding the decision not to hold a public hearing, Mr. Wright stated that the statute which the rules implement was repealed in 1990 and any effect of the rules would have been taken into account in the rates that are being paid.

Committee business The minutes of the September 13, 2016, meeting were approved.

The next meeting was scheduled for Monday, November 14, 2016, at 9 a.m.

Committee business (continued)

Mr. Ewing discussed the rule making by the Ombudsman, which is exempt from the rule-making process set forth in Iowa Code chapter 17A and whose rules are not subject to committee review. Mr. Ewing explained that as has been the practice in the past, the Ombudsman has presented the rule making to the committee as a courtesy prior to publication in the 10/26/16 IAB and that the Acting Ombudsman, Kristie Hirschman, was present to answer any questions. There were no questions concerning the rule making.

Adjourned

The meeting was adjourned at 11:10 a.m.

Respectfully submitted,

Stephanie A. Hoff

APPROVED:

Chair Wally Horn

Vice Chair Dawn Pettengill