

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 441—Chapter 49
“Family Development and Self-Sufficiency Program”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 216A.107

State or federal law(s) implemented by the rulemaking: 2024 Iowa Acts, Senate File 2385

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

November 12, 2024
1 to 2 p.m.

Microsoft Teams
Meeting ID: 287 138 322 978
Passcode: w3jvk8

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis. Written or oral comments in response to this Regulatory Analysis must be received by Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Purpose and Summary

These proposed rules define and structure the Family Development and Self-Sufficiency (FaDSS) program administered by the Department. The purpose of the program is to fund, evaluate, and provide recommendations on programs that provide services to assist families at risk of instability or dependency on the Family Investment Program (FIP) to move toward self-sufficiency.

These rules establish provisions for the grant proposal process and the awarding of grants, grant contract provisions, criteria and conditions for at-risk families, provisions for referral of families, grantee responsibilities, and the requirement for program evaluation.

Finally, the rules are being moved from the legacy Human Rights Administrative Code agency number [421] to a new chapter within the Health and Human Services agency number [441]. These rules were previously located in 421—Chapter 24.

Analysis of Impact

1. Persons affected by the proposed rulemaking:
 - Classes of persons that will bear the costs of the proposed rulemaking:
There are no costs associated with the rulemaking.
 - Classes of persons that will benefit from the proposed rulemaking:
Families that are at risk of instability or dependency on the FIP will benefit.
2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:
 - Quantitative description of impact:

In State Fiscal Year 2024, 15 grantee agencies supported 2,175 families.

- Qualitative description of impact:

FaDSS engages families in dynamic partnerships to address their basic needs, improve child well-being, and develop career opportunities that, in turn, improves lives, families, and communities.

This rulemaking implements 2024 Iowa Acts, Senate File 2385, as well as facilitates agency alignment.

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:

Personnel and other administrative costs.

- Anticipated effect on state revenues:

There is no impact on state revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

This proposed rulemaking is required due to the elimination of the FaDSS Council pursuant to 2024 Iowa Acts, Senate File 2385. This rulemaking also facilitates state agency alignment by placing the rules within the Health and Human Services Department agency number.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

Not applicable.

6. Alternative methods considered by the agency:

- Description of any alternative methods that were seriously considered by the agency:

None.

- Reasons why alternative methods were rejected in favor of the proposed rulemaking:

This rulemaking is required due to the elimination of the FaDSS Council pursuant to 2024 Iowa Acts, Senate File 2385. It is also necessary to move this chapter to Health and Human Services' agency number due to the state of Iowa's agency alignment initiative.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

None were identified.

Text of Proposed Rulemaking

ITEM 1. Adopt the following **new** 441—Chapter 49:

CHAPTER 49

FAMILY DEVELOPMENT AND SELF-SUFFICIENCY (FaDSS) PROGRAM

441—49.1(216A) Definitions. As used in these rules, unless the context otherwise requires:

“*Applicant*” means a public or private organization that applies for a family development and self-sufficiency grant through the request for proposal process.

“*Council*” means the council on health and human services.

“*Grant*” means an award approved by the council to fund a family development and self-sufficiency project.

“*Grantee*” means an applicant whose proposal is selected by the council and who enters into a grant agreement with the department.

“*Program*” or “*FaDSS program*” means the family development and self-sufficiency (FaDSS) program.

“*Proposal*” or “*grant proposal*” means an application for grant funds to fund specific projects.

441—49.2(216A) Identification of conditions and criteria for families at risk. The council has identified the following conditions and criteria that may place families at risk of instability or of long-term dependency on the family investment program:

49.2(1) *Educational level of head of household.*

- a. Head of household has less than a high school education.
- b. Head of household lacks basic literacy skills.

49.2(2) *Work experience of head of household.*

- a. Head of household has never been employed.
- b. Head of household has multiple episodes of employment lasting less than one year.
- c. Head of household is currently unemployed.

49.2(3) *Household composition.*

- a. Members are homeless or nearly homeless.
- b. Members outside the nuclear family are in residence.
- c. One or more children in the household were born while the parent received public assistance.
- d. One or more children in the household are identified as having special needs.
- e. Household includes a family member with substantiated substance use issues.
- f. Household includes a past or current perpetrator of child abuse or domestic violence.
- g. Household includes a member with a record of incarceration.

49.2(4) *Background of head of household.*

- a. Head of household was a teenager at birth of first child.
- b. Head of household has a disability or chronic illness (mental or physical).
- c. Head of household is a past or current victim of child abuse or domestic violence.
- d. Head of household grew up in a household with substance abuse.

49.2(5) *Public assistance history.*

- a. Head of household grew up in a household that received public assistance.
- b. Household has experienced multiple episodes of receipt of public assistance.
- c. Household has been on public assistance for three or more years.

49.2(6) *Other conditions.* The council has also identified the following conditions that may contribute to instability or long-term dependency:

- a. Lack of employment opportunity.
- b. Lack of available services.
- c. Lack of transportation.

441—49.3(216A) Referral of families. Families who meet one or more of the conditions and criteria identified in rule 441—49.2(216A) may be referred to the program by the department, the department of workforce development, family self-referral, or other sources. Grantees will determine eligibility for the program in accordance with the eligibility criteria determined by the department.

441—49.4(216A) Funding of grants.

49.4(1) *Availability of funds.* The council will develop requests for proposals for the awarding of grants, subject to availability of funds. Grants will not exceed 60 months; however, the department will approve grantee budgets on an annual basis, based upon and subject to available funds.

49.4(2) *Grant application process.* The department will distribute applications for grants through a request for proposal. Applications shall be submitted to the department in accordance with the instructions indicated in the request for proposal.

49.4(3) *Grant proposals.* Grant proposals for the program must include all elements outlined in the application as determined by the council.

49.4(4) *Selection of grant proposals.* All proposals timely received will be reviewed by the department, which will make recommendations to the council. The council will review the projects recommended by the department and make the final decision with respect to grant awards.

49.4(5) *Notification of applicants.* Applicants will be notified of grant award decisions within 60 days after the due date for receipt of proposals.

441—49.5(216A) Grants not renewed and grants terminated or reduced. If the council determines that a grantee's project funding will not be renewed or if the council terminates or reduces a grantee's funding, the balance of funds not renewed or terminated or reduced will be awarded by the council to other grantees for which funding is approved, based on criteria approved by the council. In the event no previously approved grantees have been selected, the council will fund new grantees selected by the council as a result of a competitive grant application process.

441—49.6(216A) Appeal.

49.6(1) Applicants dissatisfied with the council's actions regarding grant proposals for funds and grantees dissatisfied with termination of a contract may appeal the council's decision in accordance with 441—Chapter 7.

49.6(2) In the case of a grant award, no disbursements will be made to a grantee for a period of ten calendar days following issuance of the notice of decision to award. If an appeal is filed within the ten days, all disbursements will be held pending a final decision on the appeal. All applicants will be notified if an appeal is filed.

441—49.7(216A) Contract with grantee. Funds for grants approved by the council will be awarded pursuant to a contract entered into by the department and the grantee.

49.7(1) *Negotiation.* The department will conduct contract negotiations with the selected applicant, including negotiations regarding possible modifications to a grant proposal.

49.7(2) *Withdrawal of contract offer.* If the applicant and the department are unable to successfully negotiate a contract, the council may withdraw the award offer and award the grant to the applicant with the next highest-scoring proposal.

49.7(3) *Contract revisions.* The department and the grantee may negotiate revisions to the contract to allow for nonmaterial expansion or modification of services so long as such revisions do not increase the total amount of the grant. The department has the right to approve an amendment to the contract budget moving grant funds between budget line items if the funds represent more than 10 percent of the budget line item. All contract amendments will be granted at the discretion of the department in accordance with the terms set forth in the contract.

441—49.8(216A) Grantee responsibilities. The grantee will be responsible for providing services in accordance with the policies and procedures set forth in the FaDSS program manual, the grant contract, and any other guidance from the department.

441—49.9(216A) Evaluation. The grantee will be evaluated by the department in accordance with the continuous quality improvement plan developed by the department.

These rules are intended to implement Iowa Code section 216A.107 as amended by 2024 Iowa Acts, Senate File 2385.