

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 571—Chapter 56 “Shooting Sports Program Grants”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 456A.30 and 481A.17

State or federal law(s) implemented by the rulemaking: Iowa Code sections 456A.30 and 481A.17

Public Hearing

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

September 25, 2024
1 p.m. to 2 p.m.

6200 Park Avenue, 2nd Floor
Des Moines, Iowa

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 the Department of Natural Resources (Department) 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

Proposed Chapter 56 establishes a target shooting sports program to promote recreational target shooting sports. The purpose of the program is to introduce more Iowans to target shooting sports, promote existing target shooting programs, provide more target shooting facilities, and improve existing target shooting facilities. Chapter 56 also establishes a grant program and provides clear requirements to Iowans on how to apply for the grants.

Consistent with Executive Order 10 (2023) and Iowa Code section 17A.7(2)'s five-year rule review, this chapter was edited for length and clarity. Specifically, the chapter was revised to recognize that the two grant programs (the shooting sports development grant program and the shooting sports equipment grant program) follow the same process with just a few differences. Instead of separate subsections for each grant program, the chapter was streamlined to recognize the same process applies to both programs, with the few differences between the programs identified as appropriate.

Analysis of Impact

1. Persons affected by the proposed rulemaking:
 - Classes of persons that will bear the costs of the proposed rulemaking:
Grant applicants will bear the costs.
 - Classes of persons that will benefit from the proposed rulemaking:
Iowans being introduced to shooting sports programs, existing shooting sports program participants, and recreational shooters 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:
Costs include administrative time and effort for application, tracking, and reporting requirements.
 - Qualitative description of impact:
Impacts include availability of quality shooting sports facilities and equipment and increasing public awareness and opportunity for participation in shooting sports programs.

3. Costs to the State:

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

Costs include administrative costs to the Department to administer the program. The funding required for the program is not a cost that results from rulemaking.

- Anticipated effect on state revenues:

The program may increase state revenues through increased participation in shooting sports programs; however, this chapter does not directly impact state revenues.

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

The cost of inaction, meaning the absence of this chapter, would lead to confusion and challenges for applicants navigating the application process and expectations for continued compliance with the grant. The benefits of transparency and a fair and equitable process for administering funds to grant applications outweigh the cost of inaction.

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

There are no less costly methods or less intrusive methods to administer this program. The program is statutorily required and has minimal administrative costs.

6. Alternative methods considered by the agency:

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

No alternative methods were seriously considered because of the minimal administrative costs and the statutory requirement to have this process.

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

Not applicable.

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?

There is no substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 571—Chapter 56 and adopt the following **new** chapter in lieu thereof:

CHAPTER 56
SHOOTING SPORTS GRANT PROGRAM

571—56.1(456A,481A) Purpose. The purpose of the shooting sports development grant is to provide state cost sharing to eligible applicants for the creation of new shooting ranges and improvement of existing shooting ranges and facilities. The purpose of the shooting sports equipment grant is to provide state cost sharing to eligible applicants for the purchase or improvement of shooting range equipment. The department of natural resources shall administer this program.

571—56.2(462A) Definitions.

“*Commission*” means the same as defined in Iowa Code section 481A.1.

“*Committee*” means the review and selection committee established in 56.6(1).

“*Department*” means the same as defined in Iowa Code section 481A.1.

“*Director*” means the same as defined in Iowa Code section 481A.1.

571—56.3(456A,481A) Eligibility requirements. The applicant must submit an application and all supporting documents in a timely manner.

56.3(1) Applicant requirements. The entity submitting the application must meet the requirements of this subrule. The entity must:

- a. Allow public access;
- b. Be free of any unresolved close-out issues on prior grant projects;
- c. Ensure that the shooting range will be located on property owned by the applicant or that the property is enrolled in a long-term lease of at least 25 years;
- d. Have liability insurance unless not required by law; and
- e. Make the range available for department hunter education courses, department hunter and recreational shooter recruitment efforts, department archery programs, and Scholastic Clay Target Program and Scholastic Action Shooting Program activities.

56.3(2) Eligible entities. The following entities are eligible to apply for development grants:

- a. Iowa-based shooting sports organizations.
- b. Iowa primary and secondary public and private schools.
- c. Iowa public and private colleges and universities.
- d. Iowa nonprofit corporations.
- e. Public ranges not owned by the state.
- f. City park and recreation agencies, or county governments.

56.3(3) Ineligible entities. Privately owned for-profit ranges and state-owned-and-operated public ranges are not eligible for development grants.

571—56.4(456A,481A) Maximum grant amounts. The following are the maximum grant request amounts established for the development and equipment grant programs:

56.4(1) The maximum grant request amount for development grants is \$50,000 per project with at least a 25 percent match as described in 56.5(3).

56.4(2) There is no maximum grant request amount for equipment grants, but a 50 percent match is required as described in 56.5(3).

571—56.5(456A,481A) Grant application submissions.

56.5(1) Form of application. Grant applications shall be on forms provided by the department and shall follow guidelines provided by the department.

56.5(2) Application deadline. Grant applications (one original and five copies) must be received by the department by February 1.

56.5(3) Match and local funding. Applicants are expected to finance 25 percent of development grant projects or 50 percent of equipment grant projects, either through cash, donated materials and labor, or another preapproved in-kind match. An applicant shall certify that it has committed its match before the 90 percent up-front grant payment will be made pursuant to 571—56.11(456A,481A). A letter of intent signed by the mayor, the chairperson of the board of supervisors, the chairperson of the county conservation board, or the CEO or chief financial officer of an agency, organization, or corporation and submitted with the application showing intent to include matching funds in finalized budgets will be accepted as proof of commitment. Applicants must forward proof of local funding to the department by June 1. If proof of local funding is not submitted, the application will be removed from the list of approved projects.

56.5(4) Competitive bids. Any development or equipment grant expense of more than \$15,000 that is funded by grant dollars must be purchased through a competitive bid or quotation process. Records of such processes must be submitted with close-out documentation. Items purchased by any other means are not reimbursable under the grant.

571—56.6(456A,481A) Grant project review and selection.

56.6(1) Review and selection committee. The review and selection committee shall be comprised of six members appointed by the director. The committee shall review and evaluate grant applications and determine

final project approval to be recommended to the commission. Three members shall be department staff, and three members shall be from the public/private sector and shall be appointed based upon their expertise and interest in one of the three shooting sports of rifle/handgun, shotgun, and archery.

56.6(2) Conflict of interest. If a grant project is submitted to the committee by an entity with a member or employee on the committee, that committee member shall not participate in discussion and shall not vote on that particular project.

56.6(3) Consideration withheld. The committee will not consider any application that, on the date of the selection session, is not complete or for which additional pertinent information has been requested and not received. The committee will not consider any application from an entity that, on the date of the selection session, has not demonstrated compliance with or does not have a reasonable plan for achieving compliance with the requirements of Iowa Code section 657.9.

56.6(4) Application rating system. The committee will apply a numerical rating system to each grant application that is considered for funding. The criteria and maximum number of points are as follows:

- a. Overall program strength and feasibility—30 points.
- b. Education—30 points.
- c. Proximity to other public ranges—25 points.
- d. Range capacity—15 points.
- e. Project type—10 points.

56.6(5) Rating of scores for tiebreakers. If two or more projects receive the same score, the committee shall use the points awarded for overall program strength and feasibility (56.6(4)“a”) to determine which project has a higher rank.

571—56.7(456A,481A) Commission review. The commission will review and act upon all committee recommendations at the next scheduled commission meeting. The commission may reject any grant application selected for funding. Applicants shall be notified of their grant status in writing within 30 days after the commission meeting.

571—56.8(456A,481A) Appeals. Unfunded applicants may appeal the commission’s decision to the director within five days of receipt of the commission’s decision. A letter of appeal shall be sent to the director of the department. Before making a final decision as to the grant award, the director shall review the application, committee score sheets and commission minutes.

571—56.9(456A,481A) Grant amendments. Grant amendments may be made upon request by the applicant, subject to the availability of funds and approval by the director or the director’s designee.

571—56.10(456A,481A) Timely commencement of projects. Grant recipients are expected to carry out their projects in an expeditious manner. Projects shall be initiated no later than two months following their approval by the committee and shall be completed no later than June 30 of the year following the grant award. Failure to initiate projects in a timely manner may be cause for termination of the agreement and cancellation of the grant.

571—56.11(456A,481A) Payments. Ninety percent of approved grant funding may be paid to project grantees when requested, but no earlier than the start-up date of the project. Ten percent of the grant total shall be withheld by the department, pending successful completion of the project and final site inspection, or until any irregularities discovered as a result of the final site inspection have been resolved.

56.11(1) Expense documentation, balance payment or reimbursement. Documentation of expenditures eligible for prepayment or reimbursement shall be submitted on forms provided by the department and shall be accompanied by applicable receipts showing evidence that the expense is necessary and reasonably related to the creation of a new shooting range or to the improvement of an existing shooting range or facility. The grantee shall sign a certification stating that all expenses for which reimbursement is requested are related to the project and have been paid by the grantee prior to requesting reimbursement. The grantee shall provide copies of evidence or documents to verify that expenses were made.

56.11(2) Reasonable costs. For purposes of this rule, expenses that are necessary and reasonably related to the creation of a new shooting range or to the improvement of an existing shooting range or facility include,

without limitation: (1) costs associated with the lease or acquisition of real property used for the project; (2) personal property acquired for use in the project; (3) management and maintenance costs associated with the project; and (4) if applicable, costs of the actual equipment approved as the funded project and associated delivery costs, as well as the management and maintenance costs associated with such equipment. However, in no event shall funds awarded under this program be used to cover costs associated with employment or personnel costs of the grant recipient, including salaries and benefits. Those costs, however, may be used to meet the match requirement described in 56.5(3).

571—56.12(456A,481A) Recordkeeping and retention. Grant recipients shall keep adequate records relating to the administration of the project, particularly relating to all incurred expenses. These records shall be available for audit by representatives of the department and the state auditor's office for a period of three years following the close of the grant. All records shall be retained in accordance with state laws.

56.12(1) Definition of records. Records include but are not necessarily limited to invoices, canceled checks, bank statements, and bid and quote documentation.

56.12(2) Annual reports. Grant recipients shall submit on forms provided by the department an annual report for five years following the close of the grant.

56.12(3) Final performance reports. At the conclusion of the project agreement, grant recipients shall submit on forms provided by the department a final performance report.

571—56.13(456A,481A) Project life and recovery of grant funds. Applicants shall state an expected project life of at least ten years, which will become part of the project agreement. Should the funded project cease to be used for public recreation before the end of the stated project life, the director may seek to recover the remaining value of the grant award.

571—56.14(456A,481A) Unlawful use of grant funds. Unlawful use of grant funds includes whenever any property, real or personal, acquired or developed with grant funds under this program passes from the control of the grantee or is used for purposes other than the approved project.

571—56.15(456A,481A) Remedy. Grant funds used without authorization for purposes other than the approved project, or unlawfully, must be returned to the department for deposit in the account supporting this program. In the case of diversion of personal property, the grantee shall remit to the department funds in the amount of the original purchase price of the property. The grantee shall have a period of three months after notification from the department in which to correct the unlawful use of funds. The remedy provided in this rule is in addition to others provided by law.

571—56.16(456A,481A) Ineligibility. Whenever the director determines that a grantee is in violation of these rules, that grantee shall be ineligible for further assistance until the matter has been resolved to the satisfaction of the director.

These rules are intended to implement Iowa Code sections 456A.30 and 481A.17.