



Fiscal Services Division

ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

October 9, 2012

Iowa Code section 17A.4(4) requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at http://staffweb.legis.state.ia.us/lfb/docs/Admin_Rules/arfiscal_notes.htm

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**Agencies with a blue border have one or more rules with a significant fiscal impact.*

Secretary of State	
	ARC 0339C
Rule Summary	Implements HF 675 (Mechanics Liens Act) and HF 2465 (FY 2013 Standings Appropriations Act) related to the administration of a mechanics' notice and lien registry within the Office of the Secretary of State (SOS).
Fiscal Impact	The SOS will collect approximately \$85,000 in lien fee revenue for FY 2013 and expend approximately \$138,000 for 1.4 FTE positions. The General Assembly did not provide funding for expenses in excess of the revenue collected. In FY 2014, it is estimated that revenues will equal the estimated expenditure of \$162,000 for 1.9 FTE positions. Revenue will be used to fund the creation and operation of the Registry, including hardware, software, and information technology support. The expenses will be paid by the fee revenue and other General Fund support available to the SOS.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Attorney General

ARC 0328C

Rule Summary Requires disclosures by certain educational institutions of philanthropic contributions made by the lenders to the institutions.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Economic Development Authority

ARC 0344C

Rule Summary Increases the amount of Endow Iowa tax credits available and correspondingly increases the amount of tax credits available to individual taxpayers.

Fiscal Impact Minimal fiscal impact. Tax credit cap is increased by \$91,132 compared to calendar year 2011.

STAFF CONTACT: Kenneth Ohms (Ext. 52200)

Department of Education

ARC 0384C, ARC 0385C & ARC 0386C

Rule Summary Implements section 37 of SF 2284 (Education Reform Act) by making project lead the way courses eligible for supplementary weighting for school aid funding.

Fiscal Impact The combined impact of these three rulemaking efforts will increase State school aid by \$1.5 million and local property taxes by approximately \$200,000 beginning in FY 2014.

ARC 0388C

Rule Summary Implements SF 2221 (Requiring Background Checks for School Bus Drivers Act) by requiring school districts in the hiring process of school bus drivers to examine the Iowa Court information system for the driving record of all applicants and current drivers. In addition, the district must check the statewide registries of child abuse, dependent adult abuse, and sexual abuse. Drivers or applicants cannot be employed if the drivers or applicants are listed on any of these three state abuse registries. Articulates an appeal process for those found on such registries.

Fiscal Impact No State fiscal impact. The statewide impact to all school districts is estimated at \$6,000.

ARC 0389C

Rule Summary Implements Sections 31 and 32 of SF 2284 (Education Reform Act) by establishing the framework and mission of the Iowa Reading Research Center. The purpose of the Center is to apply current research on literacy to provide for the development of the following:

- Instructional strategies for prekindergarten through the 12th grade to achieve literacy proficiency that includes reading, reading comprehension, and writing for all students.
- Strategies for identifying and providing evidence-based interventions for students, beginning in kindergarten, who are at risk of not achieving literacy proficiency.
- Models for effective school and community partnerships to improve student literacy.
- Reading assessments.
- Professional development strategies and material to support teacher effectiveness in student literacy development.
- Data reports on attendance center, school district, and statewide progress toward literacy proficiency.
- The Center will establish program criteria and guidelines for implementation of an intensive summer literacy program by school districts.

Fiscal Impact The Department received a \$2.0 million appropriation in HF 2465 (FY 2013 Standings Appropriation Act) to establish the Center.

ARC 0387C

Rule Summary Modifies rules pertaining to the Statewide Voluntary Preschool Program as specified in HF 2465 (FY 2013 Standing Appropriations Act) and the Returning Dropout and Dropout Prevention Program as specified in SF 451 (School Dropout Prevention Program Act).

Fiscal Impact There is no General Fund impact. There may be an impact on local property taxes as a result of changes to the Returning Dropout and Dropout Prevention Program, but the amount, if any, is unknown.

STAFF CONTACT: John Parker (Ext. 52249) or Shawn Snyder (17799)

Parole Board

ARC 0320C

Rule Summary Deletes references to risk assessment scores. Eliminates language that ties a specific risk assessment number score to the affirmative votes needed for a parole or work release. The Board's current risk-assessment tool is undergoing a periodic revision and is not using a number system as an outcome score so the current rule is becoming obsolete. A number of other risk-assessment tools have been or are being developed and validated for the Board to utilize to ensure public safety in the development of release decisions for parole and work release. Deletes the requirement that all five members of the Board review certain inmates for consideration of a parole or work release grant. Requires three Board members to agree that an inmate can be released.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Department of Transportation

ARC 0333C

Rule Summary Provides for additional Departmental participation in the cost of constructing curb ramps on existing sidewalks within the right of way of primary road extensions to meet the requirements of the Americans with Disabilities Act (ADA). Allows the Department to move forward with the ADA transition plan without being dependent on funding sources under the control of other jurisdictions and removes the Department's participation cap of \$1.5 million per year and 55.0% of the construction cost. The total cost will remain the same. Allows the Department to make improvements on projects without local matching funds.

Fiscal Impact No fiscal impact.

ARC 0309C

Rule Summary Increases penalties for illegally passing a stopped school bus. Imposes driver's license suspension periods of 30 days for a first conviction, 90 days for a second conviction, and 180 days for a third or subsequent conviction.

Fiscal Impact Minimal fiscal impact.

ARC 0347C

Rule Summary Modifies requirements for obtaining a new driver's license or nonoperator's identification card, a renewal of a license or card, or a duplicate license or card to comply with federal rulemaking that established minimum standards in the issuance of driver's licenses and nonoperator's identification cards. A driver's license or nonoperator's identification card that is issued as a REAL ID driver's license or REAL

ID nonoperator's identification card must include a security marking. Beginning January 15, 2013, a driver's license or nonoperator's identification card that is not issued as a REAL ID license or card may include a security marking consistent with federal law and any subsequent guidance issued by the U.S. Department of Homeland Security. A driver's license or nonoperator's identification card that is issued to a person classified as a foreign national with temporary lawful status will be marked limited term and will be limited to one year when the person's lawful status has no expiration date. Ensures that lowans will have access to driver's licenses and nonoperator's identification cards that are acceptable to the federal government when engaging in official purposes, specifically accessing federal facilities when identification is required to enter, boarding federally-regulated commercial aircraft, and entering nuclear power plants. Allows a military member or dependent family member of a military member that is stationed out of state to use their residence address for the state of station as the residence address for an Iowa driver's license or nonoperator's identification card when the military member and dependent family member are residents of Iowa but do not maintain an Iowa residence during the period they are stationed out of state.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 52261)

Department of Revenue

ARC 0323C

Rule Summary Clarifies how eligible businesses approved by the Iowa Economic Development Authority under the high quality jobs program, enterprise zone program, or eligible housing enterprise zone program can claim sales and use tax refunds.

Fiscal Impact No fiscal impact. The sales tax refund is included as part of the \$120.0 million maximum for tax credits annually awarded by the Iowa Economic Development Authority authorized in Iowa Code section 15.119a.

ARC 0337C

Rule Summary Makes numerous changes as a result of 2012 legislation: HF 2150, SF 2038, SF 2097, SF 2202, SF 2212, SF 2247, SF 2325, and SF 2328, including:

- Updates the name of the federal alcohol and cellulosic biofuels credit for which a deduction for Iowa individual income tax.
- Replaces the phrase "mental retardation" with "intellectual disability".
- Makes wording changes related to the exclusion of distributions from retirement plans by certain military members for Iowa individual income tax.
- Eliminates the exclusion of Vietnam Conflict veterans' bonuses from Iowa individual income tax after January 1, 2013, due to the repeal of this provision.
- Updates Iowa's coupling date for changes to the federal research activities credit that serves as the basis for the Iowa research activities credit, and updates the date Iowa is coupled with changes to the federal research activities credit.
- Provides guidance on how the Iowa child and dependent care credit is computed.
- Rescinds various rules to reflect the repeal of obsolete refund provisions.
- Extends the individual income tax checkoffs for 2012 and 2013.
- Provides that Illinois employees working in Iowa cannot claim the new jobs credit from withholding.
- Changes the method of allocating joint estimated payments made by married taxpayers if these taxpayers later elect to file separate returns or to file separately on a combined form for Iowa individual income tax.
- Provides that domestic corporations incorporated in Iowa must attach a copy of their federal return with their Iowa corporation income tax return.

- Makes other technical changes.

Fiscal Impact Minimal fiscal impact.

Rule Summary **ARC 0310C**
Implements Iowa Code chapter 423, known as the Streamlined Sales and Use Tax Act (SSUTA). Provides more specific rules for sourcing sales of services that are taxable in Iowa under Iowa Code section 423.2, defines relevant terms, clarifies and provides examples of where a sale of services performed on tangible personal property should be sourced and where a sale of personal care services should be sourced.

Fiscal Impact Minimal fiscal impact.

Rule Summary **ARC 0326C**
Redefines the effective dates for a tax rate change for services covered by the Streamlined Sales and Use Tax Agreement (SSUTA). The rule is amended to maintain compliance with the SSUTA that was modified by the Streamlined Sales Tax Governing Board. For a tax rate increase, the beginning date of the rate becomes the first day of the billing period occurring “on or after,” rather than “on,” the effective date. For a tax rate decrease, the new rate applies to bills rendered “on or after” the effective date of the tax rate decrease.

Fiscal Impact Minimal fiscal impact.

Rule Summary	ARC 0361C Amends Iowa Administrative Code 701-Chapter 42 to include two new individual income tax credits created in SF 2342 (Geothermal, Solar, and Other Tax Changes Act of 2012): Geothermal Tax Credit and the Solar Tax Credit. Amends 701-Chapter 52 to reflect changes included in SF 2342 concerning the Solar Tax Credit for corporation income tax.
Fiscal Impact	The Geothermal Tax Credit is projected to reduce net General Fund revenue by \$10.5 million over an eight-year period beginning FY 2013. The Solar Tax Credit is projected to reduce net General Fund revenue by \$9.0 million over a nine-year period beginning FY 2013. The combined impact for the two new credits is projected to be \$2.0 million in FY 2013.

Rule Summary	ARC 0380C Implements HF 2342 (Geothermal, Solar, and Other Tax Changes Act) related to geothermal heating and cooling. Exempts from property tax the value added to residential property by any new construction or refitted installation of a geothermal heating or cooling system if the geothermal heating or cooling system is constructed or installed on the residential property on or after July 1, 2012.
Fiscal Impact	The property tax exemption created in the Act is projected to reduce property taxes owed by the affected taxpayers by \$100,000 in FY 2015, and the reduction will grow in annual increments of approximately \$300,000 through FY 2020. Through the school aid formula, the State General Fund appropriations will replace approximately 15.1% of the property tax reduction.

	ARC 0379C
Rule Summary	Implements HF 2470 (Agricultural Equipment Sales Tax Exemption). Exempts and defines snow blowers, rear- or front-mounted blades, and rotary cutters from sales tax if they are used in agricultural production and are to be attached to or towed by a self-propelled implement of husbandry. Clarifies that certain items are exempt only if they are directly and primarily used in agricultural production, dairy and livestock production, or flowering, ornamental, or vegetable plant production.
Fiscal Impact	In FY 2013, reduces State sales tax collections by \$810,000, General Fund collections by \$670,000, Secure an Advanced Vision for Education (SAVE) Fund collections by \$13,000, and Local Option Sales Tax (LOST) collections by \$120,000. The reduction amounts will increase slightly in future fiscal years.

	ARC 0378C
Rule Summary	Implements HF 2460 (Tax Increment Financing Act) by requiring that before a city can create a Local Option Sales Tax (LOST) urban renewal area by ordinance, the county board of supervisors from which county LOST revenues will be diverted must first approve the city's collection and use of county LOST revenues.
Fiscal Impact	No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) or Jeff Robinson (14614)

Department of Public Health

	ARC 0370C
Rule Summary	Updates the childhood vaccination schedule by requiring Tetanus, Diphtheria, and Pertussis Tdap vaccine for students in secondary school based on recommendations from the Centers for Disease Control and Prevention. Updates language related to the transition of the immunization registry to a web-based system.
Fiscal Impact	Minimal fiscal impact.

	ARC 0341C
Rule Summary	Provides relief from the burden of sitting for examination from licensees that allow a license to lapse for more than 60 days but 365 days or less. States the late fee and renewal fee that will be due when the licensee renews the license. States that a licensee that allows a license to lapse for more than 60 days cannot continue to work in the discipline until the license is renewed. States that a licensee that continues to work with a lapsed license may be subject to disciplinary action.
Fiscal Impact	Minimal fiscal impact.

	ARC 0340C
Rule Summary	Relieves the burden of sitting for examination from licensees that allow a license to lapse for more than 60 days but 365 days or less. States the late fee and renewal fee that will be due when the licensee renews the license. Identifies two options of a license that has been lapsed for more than one year. These options include sitting for the appropriate examination(s) and paying the renewal fee, or retaking all continuing education courses and paying the renewal fee.
Fiscal Impact	Minimal fiscal impact.

	ARC 0381C
Rule Summary	Makes the following changes concerning radiation licensing and inspection:

- Rescind paragraphs from Chapter 38 and incorporates them into Chapter 42 in order to make Chapter 42 self-contained.
- Amends Chapter 41 to remove language requiring the posting of the permit. Permits will be required to be available at the facility. Outlines requirements and process for obtaining a permit. Clarifies procedures for renewing permits and handling expired permits.
- Makes continuing education requirements for radiologist assistants consistent with the national standards of the American Registry of Radiologic Technologists.
- Adds provisions for listing two modalities on one permit.
- Increases continuing education requirements for podiatric x-ray equipment operators from 2.0 hours to 4.0 hours to ensure maintenance of competencies. Expands the topics of continuing education activities that will be accepted to allow more variety and make them easier to obtain.
- Adds a requirement for a permit for an individual that performs only bone densitometry radiography to ensure uniform radiation safety training. Excludes individuals that hold a general radiologic technologist or a limited radiologic technologist permit under this chapter because the radiation safety training is already completed.
- Closes two permit classifications, limited in-hospital radiologic technologist and limited nuclear medicine technologist, and one limited permit category, paranasal sinus, to new applicants.
- States that on the effective date of these rules, the Department will no longer approve continuing education credit hours. All credit hours must be approved by other approval bodies accepted by the Department. This change will streamline the permit process and allow more options for continuing education.
- States that all current continuing education credit hour approvals currently approved by the Department will no longer be eligible for renewal and will expire on the stated expiration date for the activity or January 1, 2015, whichever comes first.
- Continuing education for all modalities will no longer be classification specific. Permit holders may complete continuing education hours from any classification.
- Removes specific requirements for CT subcategory. CT is included as a part of the general radiologic technologist permit.
- Removes the continuing education requirement for 1.0 hour in radiation protection for diagnostic technologists and radiation therapists. Removes 1.0 hour each for radiation protection and quality assurance for nuclear medicine technologists.
- Clarifies requirements for curriculum and clinical competencies for formal education for limited diagnostic technologists.
- Replaces “radiographer” with “radiologic technologist” or “technologist.”

Fiscal Impact Minimal fiscal impact.

ARC 0369C

Rule Summary Updates the definition of “minor repair and maintenance activities” as the term relates to lead-based paint regulations.

Fiscal Impact No fiscal impact.

ARC 0364C

Rule Summary Updates references by adding a heading for the Maternal and Child Health Advisory Council, incorporating the Council's current bylaws into the rules, and clarifying services provided through the maternal and child health programs.

Fiscal Impact No fiscal impact.

ARC 0376C

Rule Summary Creates new Chapters 95 to 100 as the result of reorganizing the information regarding vital records currently contained in the Chapters 95, 96, and 98 to 107, that are proposed for rescission, and an effort to make it easier to locate the information. Provides updates as necessary.

Fiscal Impact No fiscal impact.

ARC 0377C

Rule Summary Updates the Iowa Emergency Medical Care Scope of Practice to incorporate the April 2012 recommendations of the Emergency Management Services Advisory Council.

Fiscal Impact Minimal fiscal impact.

ARC 0365C

Rule Summary Outlines requirements and procedures to conduct tuberculosis screening for health care workers or facility staff members and residents of residential, inpatient, and halfway house facilities regulated by the Department.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Aaron Todd (Ext. 16764)

Board of Pharmacy

ARC 0351C

Rule Summary Reduces most initial and renewal license and registration fees and most penalty fees for late applications that are currently assessed by the Board by at least 10.0%. Some of the fees are rounded down, after calculating the 10.0% reduction, to the next lowest \$10 increment to simplify accounting when a surcharge to support the Iowa Pharmacy Professional and Technician Recovery Network is added to the specific fee. Clarifies the forms of payment currently accepted by the Board and provides that a late payment penalty fee is not to be imposed on an application for renewal of a delinquent pharmacy technician registration if the applicant has not been practicing as a pharmacy technician since the registration expired. .

Fiscal Impact No fiscal impact to the General Fund. Reduces revenues to the Board of Pharmacy by approximately \$240,000 annually.

ARC 0375C

Rule Summary Clarifies that the pharmacist in charge of a general pharmacy is responsible for establishing, implementing, and periodically reviewing policies and procedures for operations of the pharmacy and is also responsible for ensuring that pharmacy personnel are familiar with the pharmacy's established policies and procedures.

Fiscal Impact No fiscal impact.

ARC 0343C

Rule Summary Authorizes a pharmacist or pharmacist-intern, upon the request of a patient, to transfer one or more prescriptions to the pharmacy of the patient's choice. A transfer must be initiated by direct communication between a pharmacist or pharmacist-intern at the transferring pharmacy and a pharmacist or pharmacist-intern at the receiving pharmacy. Following direct communication between authorized individuals, the transfer of prescription information may be accomplished by facsimile transmission in compliance with the record requirements of the rule.

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Fiscal Impact No fiscal impact.

ARC 0372C

Rule Summary Authorizes a hospital pharmacy to contract for remote order entry and medication order preview and verification with another licensed pharmacy to supplement hospital pharmacy services and to increase the availability of the pharmacist for involvement in cognitive and patient care activities.

Fiscal Impact No fiscal impact.

ARC 0371C

Rule Summary Clarifies the requirement for prior notification to the Board when a pharmacy plans to remodel or relocate a pharmacy department and requests the notification be submitted to the Board at least 30 days prior to commencing the project. Clarifies that the Board may require inspection of the proposed remodel or relocation site, including inspection of a temporary pharmacy location and inspection of a barrier constructed or intended to be constructed to provide security when the pharmacy department is closed. Combines two subrules that address requirements for light, ventilation, temperature, and humidity into a single subrule.

Fiscal Impact No fiscal impact.

ARC 0342C

Rule Summary Excludes nonmedicated intravenous solutions from the definition of “drug” and specifies that records that are required to be maintained by or within an emergency medical services program under this chapter are to be maintained and made available for inspection and copying by the Board, the Board's representative, or other authorized individual. Provides that the monthly inspection of drug supplies maintained at the primary emergency medical services program site may be inspected by a pharmacist, pharmacist-intern, certified pharmacy technician, or the service director if the program is a pharmacy-based service or by the medical director, service director, or other designated emergency medical services personnel if the program is a medical director-based program. Clarifies the content and format of the required record following the administration of a controlled substance.

Fiscal Impact No fiscal impact.

ARC 0374C

Rule Summary Changes definitions to clarify terms and to ensure uniformity of interpretation of like terms. Changes the format of references to rules and subrules throughout the chapters to conform to current standards of the Administrative Rules Coordinator. Adds record requirements for sterile compounded drug products. Prohibits the use of the same biological safety cabinet (BSC) or compounding aseptic isolator (CAI) for the compounding of nonhazardous sterile or nonsterile compounded drug products and for the compounding of hazardous drugs unless the BSC or CAI is appropriately decontaminated between uses. Reorganizes subrule 20.34 into paragraphs addressing specific sales and advertising issues and adds a paragraph authorizing the compounding of drug products and placebos for dispensing to subjects in an approved university or college research project. Clarifies that a compounding production record is not required when personnel mix or reconstitute a drug according to the product's labeling or the manufacturer's directions and clarifies that the record of an individual involved in any step of the compounding or verification process must include the initials or other unique identification of that individual.

Fiscal Impact No fiscal impact.

ARC 0373C

Rule Summary Authorizes a pharmacy other than a facility's primary provider pharmacy to provide an emergency/first dose drug supply containing those drugs and products not stocked or available from the primary provider pharmacy. This additional supply may include, but is not limited to, parenteral or compounded drug products.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Aaron Todd (Ext. 16764)

Professional Licensing and Regulation Bureau – Department of Commerce

ARC 0345C

Rule Summary Clarifies that applicants to the Professional Licensing and Regulation Bureau must disclose their social security numbers to be licensed. Provides procedures for circumstances when identification cannot be provided at the time of application.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Soil Conservation Division - IDALS

ARC 0331C

Rule Summary Allows conservation construction practices started by June 15, 2012, to be completed by December 31, 2012. Establishes a cost share amount of up to \$25.00 per acre for cover crops. Allows haying and grazing during the 2012 calendar year without the loss of summer construction incentives.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Adam Broich (Ext. 18223)

Department of Human Services

ARC 0325C

Rule Summary Requires a perpetrator's name be removed from the child abuse registry after 10 years so long as he/she had no subsequent founded child abuse report within that period. Allows only a person allegedly responsible for the abuse to file an appeal regarding a child abuse report. If a person allegedly responsible files an appeal, then all other subjects are notified of their right to file a motion to intervene in the appeal proceedings. All parties have the right to request that the administrative law judge (ALJ) stay the hearing if adjudication or district court decisions related to the data or findings are pending. All parties have the right to appeal the ALJ's decision to the director of the Department within 10 days of the proposed decision. Only a person allegedly responsible for the abuse may appeal the final decision to the higher courts.

Fiscal Impact The rule changes will require software updates in FY 2013 in the amount of \$48,500 and will come from existing Department resources.

ARC 0304C

Rule Summary Clarifies that when a party to an appeal fails to appear or participate in a contested case proceeding after proper service of notice, a party can file a motion to vacate. Rules are updated to explain that a motion to vacate must state all facts relied on by the moving party and each fact must be substantiated by a sworn affidavit or other documentation from a disinterested third party that substantiates the claim of good cause. Expands the definition of "good cause" to include examples of good cause

and to show examples where good cause does not exist. Changes the term “mental retardation” to “intellectual disabilities.”

Fiscal Impact No fiscal impact.

ARC 0305C

Rule Summary Makes the following changes to optometrist and optician services under Medicaid:

- Clarifies coverage criteria.
- Allows for coverage of lenses manufactured outside America.
- Removes an obsolete reference for therapeutically-certified optometrists.
- Allows prior authorization of transition lenses and press-on prisms.
- Changes reimbursement for polycarbonate lenses from an invoice to a fee schedule amount.
- Increases the upper age limit frequency for new frames for children from six to seven years of age.

Fiscal Impact Minimal fiscal impact.

ARC 0306C

Rule Summary Updates forms to reflect current practices used to determine level of care in the seven Home and Community-Based Services (HCBS) waivers. Rules are amended to indicate that the member’s choice of HCBS waivers over institutional care will be recorded through the comprehensive assessment completed by the member and the case manager or service worker. Currently, the rules specify this is done through the certification of level of care form.

Fiscal Impact Minimal fiscal impact.

ARC 0332C

Rule Summary Clarifies the policy on the filing date of applications received after business hours for the hawk-i Program and clarifies the definition of client error.

Fiscal Impact No Fiscal Impact

ARC 0324C

Rule Summary Retitles 441 Iowa Administrative Code chapter 119 from “Record Check Evaluations for Health Care Programs” to “Record Check Evaluations for Certain Employers and Educational Training Programs.” Clarifies when evaluations must be requested on persons previously evaluated. Revises the list of documents to be included for child abuse checks and updates notification procedures for persons being evaluated.

Fiscal Impact Minimal fiscal impact.

ARC 0346C and 0348C

Rule Summary Sets standards and makes recommendations regarding the Mental Health and Disability Services Redesign Transition Fund, including:

- Definitions and eligibility requirements.
- Application guidelines concerning financial need and sustainability plan.
- Guidelines for the Department for receiving, analyzing, and reporting of transition applications as relating to the transition funds.
- Establishment of guidelines related to the allocation of transition funds.

Fiscal Impact The fiscal impact of this rule cannot be determined. No funds have been appropriated to the Transition Fund and it is not yet known how many counties may apply to receive money from the Fund.

ARC 0367C

Rule Summary Expands the use of an existing application, the Health and Financial Support Application, to allow its use for the State Supplementary Assistance program. The current application for State Supplementary Assistance, the Health Services Application, may also continue to be used.

Fiscal Impact No fiscal impact.

ARC 0366C

Rule Summary Adds a new service to the Elderly Waiver, Assisted Living On-Call Service. This service will allow assisted living facilities to be paid a per diem related to the costs of maintaining staff for 24-hour coverage.

Fiscal Impact Minimal fiscal impact.

ARC 0359C

Rule Summary Makes the following changes related to Medicaid:

- Shifts funding for the nonfederal share of the Medicaid Program to the State for services that were billed to counties for the following services provided in the fiscal year beginning July 1, 2012:
 - Habilitation.
 - Targeted case management.
 - Home-based and community-based services waiver services for persons with Intellectual Disabilities and Brain Injury.
 - Community-based intermediate care facilities for persons with mental retardation (ICF/MR).

With the elimination of county funding for these services, the county role in provider certification, ICR/MR placement, and determination of need for waiver services is also eliminated.

- Provides a 2.0% increase to home health agencies effective July 1, 2012, with the reimbursement methodology amended to accurately reflect the method of reimbursement from retrospective cost related to interim fee schedule with retrospective cost settlement.
- Increases the Home and Community-Based Services (HCBS) Elderly Waiver monthly cap from \$1,117 to \$1,300.
- Adds Psychiatric Medical Institutions for Children (PMIC) as covered mental health services under the Iowa Plan managed care contract.

Fiscal Impact The county Medicaid buyout is estimated to cost \$230.0 million in FY 2013. This will be funded by a redistribution of approximately \$189.6 million in State funds and an additional \$40.0 million General Fund appropriation provided in SF 2336 (FY 2013 Health and Human Services Appropriations Act).

A 2.0% provider rate increase for home health agencies is estimated to cost \$761,000 in FY 2013 and \$784,000 in FY 2014. Funding for FY 2013 was provided in SF 2336.

Increasing the Elderly Waiver cap from \$1,117 to \$1,300 per month is estimated to cost \$2.1 million in FY 2013 and \$2.2 million in FY 2014. Funding for FY 2013 was provided in SF 2336.

Moving PMICs under the Iowa Plan contract will have a minimal fiscal impact.

ARC 0358C

Rule Summary Adds a new provider type to the Medicaid program to enroll public health agencies that provide immunizations and testing for communicable diseases.

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Fiscal Impact No fiscal impact.

ARC 0360C

Rule Summary Creates a new Medicaid provider type for speech language pathologists in independent practice in accordance with SF 2158 (Speech Pathology, Qualified Medicaid Provider Act).

Fiscal Impact Minimal fiscal impact.

Rule Summary Changes Medicaid reimbursement policy when a patient is readmitted to the hospital for the same or similar diagnosis within seven days of discharge. All claims will be combined allowing for only one Diagnosis-Related Group (DRG) payment.

ARC 0354C

Fiscal Impact This change was required by SF 2336 (FY 2013 Health and Human Services Appropriations Act) and is estimated to save the State \$650,000 in FY 2013 and \$670,000 in FY 2014.

Rule Summary Reduces payments for physician-administered drugs by 2.0% from the current payment methodology of average wholesale price (AWP) less 10.0%, effectively resulting in a new payment methodology of AWP less 12.0%. As a result of the change, drugs dispensed by a physician will be reimbursed at the same rate as drugs dispensed by a pharmacy.

ARC 0355C

Fiscal Impact This change was required by SF 2336 (FY 2013 Health and Human Services Appropriations Act) and is estimated to save the State \$88,000 in FY 2013 and \$91,000 in FY 2014.

Rule Summary Allows for issuance of a two-year foster home license unless the Department Administrator determines that a one-year license is to be issued. Annual renewal is still required for the first two years of licensure.

ARC 0356C

Fiscal Impact Minimal fiscal impact.

Rule Summary Changes the licensing regulations of foster family homes, including eliminating requirements that all bedroom windows be of a specific dimension except for basement egress windows, requiring that homes have a fire safety plan, and requiring a standard bed be provided for foster children or crib for infants and toddlers that cannot safely use a standard bed.

ARC 0357C

Fiscal Impact No fiscal impact.

ARC 0368C

Rule Summary Increases the Child Care Assistance half-day rate ceilings. The changes are noted in the table below.

Table I Half-Day Rate Ceilings for Basic Care				
Age Group	Child Care Center	Child Development Home A or B	Child Development Home C	Nonregistered Family Home
Infant and Toddler	\$15.84 \$16.13	\$12.24 \$12.48	\$11.73 \$11.96	\$8.19
Preschool	\$12.75 \$13.01	\$11.48 \$11.71	\$11.48 \$11.71	\$7.19
School Age	\$11.48 \$11.71	\$10.20 \$10.40	\$10.20 \$10.40	\$7.36

Table II Half-Day Rate Ceilings for Special Needs Care				
Age Group	Child Care Center	Child Development Home A or B	Child Development Home C	Nonregistered Family Home
Infant and Toddler	\$48.96 \$49.94	\$16.07 \$16.39	\$12.63 \$12.88	\$10.24
Preschool	\$28.69 \$29.26	\$14.92 \$15.22	\$12.63 \$12.88	\$8.99
School Age	\$28.60 \$29.17	\$13.77 \$14.05	\$11.48 \$11.71	\$9.20

Fiscal Impact This change is estimated to cost the General Fund \$1,094,369 in FY 2013. Funds were included in SF 2336 (FY 2013 Health and Human Services Appropriations Act) to support the rate changes.

STAFF CONTACT: Jess Benson (Ext. 14611) or Aaron Todd (Ext. 16764)

Department of Administrative Services

ARC 0327C

Rule Summary Changes the merit system definition of “confidential employee” by adding an employee in a confidential relationship with a director, chief deputy administrative officer, division administrator, or similar position and is a part of that administrator’s management or legal team. A confidential relationship exists when the employee has a duty to the administrator not to disclose information.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Environmental Protection Commission

ARC 0330C

Rule Summary Amends 567 Iowa Administrative Code chapters 20, 22, and 25 as follows:

- Amends methods and procedures that evaluate compliance with emission limitations or permit conditions. Rescinds the Department of Natural Resources’ (DNR) Compliance Sampling Manual (CSM). The CSM is no longer necessary due to changes in federal testing methods.
- Specifies procedures for conducting emissions tests.
- Revises definitions of “EPA reference method,” “particulate matter,” “standard conditions,” and “total suspended particulate” to match federal regulation.

- Adopts a definition of “PM2.5” in rule 567-202.2 to ensure consistency with federal regulation.
- Shortens notification requirements for portable plant relocations. Allows written relocation notices to be submitted to the DNR via email.
- Revises the definition of “EPA reference method” for the Title V Operating Permit program. The new definition will match federal descriptions.
- Adopts a revised version of Title V “Periodic Monitoring Guidance.” The DNR is revising emission measurement methods. New methods will match changes made in this rulemaking.
- Requires that all compliance demonstrations and performance tests specified in construction and operating permits be conducted using only the methodology allowed in this rule.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0329C**
Adopts federal regulations for “New Source Performance Standards (NSPS)” and “National Emission Standard for Hazardous Air Pollutants (NESHAP).” The NSPS apply to new stationary sources of emissions. Adopts by reference EPA amendments for stationary compression ignitions diesel engines and stationary spark ignition engines.

Adopts new NESHAP standards and amendments to existing NESHAP standards. The NESHAP applies to new and existing sources of air toxic emissions. Adopts by reference federal amendments to NESHAP for Gasoline Distribution and Plating and Polishing. Adopts new NESHAP standards for Aluminum, Copper and Other Nonferrous Foundries.

Clarifies Commission action related to Executive Order 72. Executive Order 72 rescinded the adoption of NESHAP rules for reciprocating internal combustion engines (RICE), Prepared Feed Manufacturing, Chemical Manufacturing and Paint and Allied Products Manufacturing. Re-adopts NESHAP rules for Paint and Allied Products Manufacturing.

Fiscal Impact No fiscal impact

STAFF CONTACT: Adam Broich (Ext. 18223)

Natural Resource Commission

	ARC 0308C
Rule Summary	Creates a grant program for developing new shooting ranges and improving existing ranges. Adopts a new Iowa Administrative Code chapter that outlines the administration of the grant program. Grant funds will be used to aid the development of new ranges, the improvement of existing ranges, and for purchasing range equipment.
Fiscal Impact	The fiscal impact to the State is \$120,000 annually. The grant program will receive federal and State funding. Federal funding will provide \$40,000 and the State will provide \$80,000 from the Fish and Game Capital Fund.

	ARC 0383C
Rule Summary	Combines and then amends Chapters 61 “State Parks and Recreation Areas” and 62 “State Forest Camping.” New Chapter 61 will be divided into two divisions and will address several issues, including: <ul style="list-style-type: none">• Updates definitions to accommodate the combination of Chapters 62 and 63, and the amendments of this action.• Removes definitions that are no longer valid.• Eliminates use of the business rule manual and adopts relevant business rules.• Clarifies walk-in registration process.• Opens new lodge facilities for public rental and establishes rental rates.• Sets a damage deposit for cabins, lodges, and open shelters.• Changes stay requirements for the multifamily cabin at Springbrook State Park.• Requires pets at state parks to be attended to.• Prohibits animals from park buildings, with the exception of assistance animals.• Removes requirement to provide a certificate from a doctor stating a person meets the criteria for a physical disability if they wish to get a permit to use a motorized vehicle.• Updates language regarding deer population control hunts.• Identifies rules from Division I will apply to both Divisions.
Fiscal Impact	The estimated fiscal impact will be additional revenue of \$101,000 to the Land and Water Conservation Fund. Of the increase, \$87,000 will be rental income from new lodge facilities. The remaining \$15,000 is from the retention of damage deposits.

ARC 0382C

Rule Summary Establishes new definitions, including Department, rental facility, staffing terminology and beach related to keg beer. The definition of beach now matches other uses throughout the Iowa Administrative Code (IAC). Removes the definition of kegger from the IAC. Updates outdated year and date references. Clarifies references to rental deposits and updates the rule that waives the keg beer deposit in lieu of the rental facility damage deposit.

Fiscal Impact No fiscal impact

ARC 0307C

Rule Summary Amends Chapter 91 “Waterfowl and Coot Hunting Seasons.” Adds a new duck hunting zone west of Interstate 29 and north of State Highway 175, now referred to as the Missouri River Duck Hunting Zone. Amends duck hunting season dates in existing duck hunting zones and sets dates for the new zone. Changes will comply with federal regulations and ensure seasons are open on weekends.

Reduces areas closed to Canada goose hunting and permits landowner hunting in all Canada goose closed hunting zones. Creates the Missouri River goose hunting zone within the duck zone boundaries. Adjusts season dates for existing boundaries and sets dates for the new zone.

Fiscal Impact No fiscal impact

STAFF CONTACT: Adam Broich (Ext. 18223)

Educational Examiners Board

ARC 0312C

Rule Summary Defines what is required to obtain a basic science (grade 5-12) endorsement. Removes an endorsement for a physical science (grade 5-12) option that has been incorporated in other endorsement areas. Removes an outdated all science (grade

5-8) endorsement rule. Clarifies the requirements for an all science (grade 9-12) endorsement. Decreases the total number of credit hours in science needed for an all science endorsement from 48 to 36.

Fiscal Impact No State fiscal impact.

Rule Summary Changes language from “will” to “may” to clarify when an administrator license extension can be given. Eliminates a sunset date that is no longer needed.

ARC 0311C

Fiscal Impact No State fiscal impact.

STAFF CONTACT: John Parker (Ext. 52249)

Engineering and Land Surveying Examining Board

Rule Summary Changes the title of “land surveyor” to “professional land surveyor.” Requires the seal of a professional land surveyor to include the term “professional” instead of allowing its use to be optional.

ARC 0362C

Fiscal Impact No fiscal impact.

Rule Summary Makes professional land surveyor license applications via comity comparable to engineering license applications via comity. Allows for the acceptance of experience acquired out-of-sequence and for required examinations to be taken out-of-sequence.

ARC 0363C

This rule was originally filed on June 13, 2012, as ARC 0159C. A change was made to delete two items that were included in error. These deleted items prohibited licensees from accepting, soliciting, or having review authority over private professional contracts for governmental bodies while they or a member of their organizations are participants of the governmental body.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Homeland Security and Emergency Management Division

Rule Summary Clarifies the membership and voting requirements of local emergency management commissions.

ARC 0336C

Fiscal Impact No fiscal impact.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Department of Inspections and Appeals

Rule Summary Creates new requirements and procedures to conduct tuberculosis (TB) screenings for health care workers in licensed hospitals and health care workers and residents of health care facilities. The rules address the screening process, risk classifications, and who may conduct TB screenings. Technical changes are made to update

ARC 0353C

related chapters. The proposed language provides uniformity in the requirements and procedures to conduct TB screening.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Labor Services Division – Iowa Workforce Development

Rule Summary **ARC 0318C**
Creates method for owners of elevators located in unoccupied buildings to apply for a temporary removal of service that may last for a period of up to three years.

Fiscal Impact Minimal fiscal impact to the Elevator Revolving Fund.

Rule Summary **ARC 0319C**
Amends inspection rules pursuant to SF 2280 (Boiler Inspections Act) to permit a four-year internal inspection schedule on unfired steam pressure vessels. Removes some provisions, adopts more recent versions of relevant national codes by reference, and makes technical and editorial changes.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0322C**
Defines the statutory phrase “under pressure” to exclude objects operating at and under 3 pounds per square inch, and adopts by reference two American Society of Mechanical Engineers code cases pertaining to code-stamp protocols.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Kenneth Ohms (Ext. 52200)

Department of Public Health

Rule Summary **ARC 0314C**
Outlines the process that the Iowa Plumbing and Mechanical Systems Board will follow when receiving and responding to a petition for rule making.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0315C**
Outlines the process that the Iowa Plumbing and Mechanical Systems Board will follow when a petition for declaratory order is received by the board.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0316C**
Outlines the procedures that the Iowa Plumbing and Mechanical Systems Board will follow when adopting rules.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0317C**
Outlines the procedures that the Iowa Plumbing and Mechanical Systems Board will follow when a request for access to open records is received, including how to handle confidential records.

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Fiscal Impact No fiscal impact.

ARC 0313C

Rule Summary The rules in 641 Iowa Administrative Code (IAC) chapter 60 adopt by reference 641 IAC chapters 192, 194, and 195 that describe the procedures that the Iowa Plumbing and Mechanical Systems Board will follow when denying the issuance or renewal of a license upon the receipt of a certificate of noncompliance from the Department of human services, Department of Revenue or, College Student Aid Commission.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Aaron Todd (Ext. 16764)

Treasurer of State

ARC 0335C

Rule Summary Implements 1999 Iowa Acts, HF 571 (Deposit of Public Funds – Depository Standards Act), by rescinding Treasurer of State 781 Iowa Administrative Code chapter 3 related to the deposit and security of public funds in savings and loans. The 1999 Acts eliminated Savings and Loans from this part of the Iowa Code.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)
