

### Regulatory Analysis

Notice of Intended Action to be published: 481—Chapter 804  
“Licensure of Occupational Therapists and Occupational Therapy Assistants”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 148B, 147E.1, 272C.3, and 272C.10  
State or federal law(s) implemented by the rulemaking: Iowa Code chapters 17A, 147, 148B, and 272C and section 147E.1

### *Public Hearing*

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

April 9, 2025  
12 noon to 12:30 p.m.

6200 Park Avenue  
Des Moines, Iowa  
Google Meet  
[meet.google.com/ea-sciu-vjz](https://meet.google.com/ea-sciu-vjz)  
Or dial: (US) +1 574.440.8035  
PIN: 895 818 900#  
More phone numbers: [tel.meet/ea-sciu-vjz?](tel:meet/ea-sciu-vjz?pin=1641821153114)  
[pin=1641821153114](tel:meet/ea-sciu-vjz?pin=1641821153114)

### *Public Comment*

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Inspections, Appeals, and Licensing (DIAL) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Venus Vendoures Walsh  
6200 Park Avenue  
Des Moines, Iowa 50321-1270  
Phone: 515.242.6529  
Email: [venus.vendoures-walsh@dia.iowa.gov](mailto:venus.vendoures-walsh@dia.iowa.gov)

### *Purpose and Summary*

The proposed rulemaking defines the requirements for participation in the Occupational Therapy Licensure Compact, adds background check requirements for initial licensure and licensure by endorsement for all occupational therapist (OT) and occupational therapist assistant (OTA) applicants, adds a fee for the issuance of a compact privilege to practice in Iowa, and waives the compact privilege fee for an active duty military member or spouse.

### *Analysis of Impact*

#### 1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There is no direct cost to the general public, but there is a cost to the applicant or licensee because compliance with the minimum requirements to enter into the Occupational Therapy Licensure Compact is at the expense of the applicant.

- **Classes of persons that will benefit from the proposed rulemaking:**

These minimum requirements for compact privilege holders ensure that practitioners are competent to practice. Without having an established threshold for entry into the profession, individuals who are not appropriately trained could harm the public. The Board of Physical and

Occupational Therapy believes the benefits achieved justify the cost of background checks and fees for this profession by ensuring that Iowans are treated by competent and qualified practitioners with knowledge of topics pertinent to the profession to ensure the safety and welfare of the public. This rulemaking highlights the need for privilege holders to understand and follow Iowa's laws and rules while serving Iowans.

**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:**

Educational institutions provide training for OTs and OTAs. Additional private industries and educational institutions provide examinations and materials for preparation for the examination. Compact privilege fees are \$60. Privileges expire at the time the home state license expires.

- **Qualitative description of impact:**

Establishing minimum requirements for compact privileges ensures safety for the Occupational Therapy Licensure Compact privilege holder and consumer. The cost of inaction would be an increase in the potential for injury to the public by an Occupational Therapy Licensure Compact privilege holder who is not qualified to perform work in the field.

**3. Costs to the State:**

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

A cost to the agency is the staff time needed to manage Board activities, which include a new background check process; database updates; initial implementation of the Occupational Therapy Licensure Compact; database maintenance; and education of the public, licensees, and privilege holders. Occupational Therapy Licensure Compact privilege holders are subject to the laws and rules of Iowa and may be investigated or disciplined by the Board. Consent agreements and discipline imposed by the Board are monitored by office staff.

An executive officer supports the full scope of this work at 0.22 full-time equivalent position. This includes reviews at the time of initial application and during reinstatement.

- **Anticipated effect on state revenues:**

Costs associated with implementing this rulemaking will be offset by the fees collected by Occupational Therapy Licensure Compact privilege holders.

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

The Board believes all current requirements ensure public safety and minimum competency.

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

The Board has not identified a more cost-effective alternative for compliance with Iowa Code section 147E.1, which outlines Iowa's role as an Occupational Therapy Licensure Compact member state.

**6. Alternative methods considered by the agency:**

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

The agency currently supports multiple compacts. Adding the Occupational Therapy Licensure Compact to the current database ensures public safety, minimum competence of the Occupational Therapy Licensure Compact privilege holder, and compliance with Iowa Code section 147E.1.

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

The Board has not identified a more cost-effective alternative to the current internal process utilized for licensure review and compliance audits. The Board believes all current requirements ensure that the public is safe and that a minimum competency of care is provided to Iowans. This rulemaking provides consistency related to the licensure of occupational therapists and occupational therapist assistants across the United States. Membership in the Occupational Therapy Licensure Compact requires the uniform licensure of these providers. DIAL continues to assess and implement

opportunities to increase efficiencies and standardize board processes across all professional licensing boards. These amendments support this effort.

*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?**

The proposed rulemaking relates to public safety concerns that are present whether the business is a small business or a large organization. The rulemaking is meant to ensure public safety in terms of licensing requirements for physical therapists and physical therapist assistants. To exempt a small business from adhering to this rulemaking would jeopardize any member of the public who sought services from that small business. The risk to the public is greater than the potential harm or cost to the small business.

*Text of Proposed Rulemaking*

ITEM 1. Renumber subrules **804.2(3)** and **804.2(4)** as **804.2(4)** and **804.2(5)**.

ITEM 2. Adopt the following **new** subrule 804.2(3):

**804.2(3)** Submit a completed fingerprint card and a signed waiver form to facilitate a national criminal history background check by the Iowa division of criminal investigation (DCI) and the Federal Bureau of Investigation (FBI). The cost of the criminal history background check by the DCI and the FBI shall be assessed to the applicant.

ITEM 3. Renumber rules **481—804.4(147)** through **481—804.9(17A,147,272C)** as **481—804.5(147)** through **481—804.10(17A,147,272C)**.

ITEM 4. Adopt the following **new** rule 481—804.4(147E):

**481—804.4(147E) Occupational therapy licensure compact.** The rules of the occupational therapy compact commission are incorporated by reference. An occupational therapist or occupational therapist assistant may engage in the practice of occupational therapy in Iowa without a license issued by the board if the individual has a current compact privilege to practice in Iowa issued by the occupational therapy compact commission. The state fee for issuance of a compact privilege to practice in Iowa shall be \$60, which will be collected by the occupational therapy compact commission. The state fee for issuance of a compact privilege to practice in Iowa shall be waived for an active duty military member or spouse of an individual who is an active duty military member. An occupational therapist or occupational therapist assistant who practices occupational therapy in Iowa using a compact privilege is subject to the rules governing licensees in this chapter and in 481—Chapters 806 and 807. Complaints, investigations, and disciplinary proceedings involving a compact privilege shall be handled in accordance with Iowa Code chapters 17A and 272C; Iowa Code section 147E.1; and 481—Chapters 503, 504, and 506.

This rule is intended to implement Iowa Code section 147E.1.

ITEM 5. Amend renumbered rule 481—804.10(17A,147,272C) as follows:

**481—804.10(17A,147,272C) License reinstatement.** A licensee whose license has been revoked, suspended, or voluntarily surrendered must apply for and receive reinstatement of the license in accordance with rule 481—506.31(272C) and must apply for and be granted reactivation of the license in accordance with rule ~~481—804.8(17A,147,272C)~~ 481—804.9(17A,147,272C) prior to practicing occupational therapy in this state.