

HUMAN SERVICES DEPARTMENT[441]

Regulatory Analysis

Notice of Intended Action to be published: 441—Chapter 142
“Interstate Compact on the Placement of Children”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 232.158
State or federal law(s) implemented by the rulemaking: Iowa Code section 232.158 and Public Law 115-123

Public Hearing

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

April 21, 2026
10 a.m.

Microsoft Teams
Meeting ID: 249 659 865 572 07
Passcode: fz7CQ6dU

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the 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:

Victoria L. Daniels
Department of Health and Human Services
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliancerules@hhs.iowa.gov

Purpose and Summary

The purpose of this proposed chapter is to provide consistent practice and structure for implementation of Iowa’s participation in the Interstate Compact on the Placement of Children (ICPC). The ICPC is a statutory agreement between all states that provides safety and protection to children in out-of-state placements. Each state adopts and enacts the rules and regulations for the ICPC, which governs policies and procedures states must follow when placing children out of state. The agreement also includes directives on a state’s financial responsibility for the welfare of each child’s placement.

This proposed chapter was reviewed pursuant to Executive Order 10. As a result of this review, the Department made few changes because many of the provisions are required as a condition of participating in the ICPC. The Department was able to reduce the number of restrictive terms in the proposed chapter, however.

Analysis of Impact

- Persons affected by the proposed rulemaking:**
 - Classes of persons that will bear the costs of the proposed rulemaking:**
There are no costs to the public associated with this proposed rulemaking.

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

Children and families involved in out-of-state placements benefit from the structure and guidelines in this proposed chapter.

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:**

The number of children placed in Iowa through the ICPC has increased over the past three years. There were 133 placements in 2023, 149 placements in 2024, and 162 placements in 2025.

The number of Iowa children placed in other states has also increased over the past three years, with 239 placements in 2023, 304 placements in 2024, and 335 placements in 2025.

- **Qualitative description of impact:**

The Department is fulfilling its obligation under Executive Order 10 with this proposed rulemaking.

3. Costs to the State:

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

The Department incurs personnel and other administrative costs for the implementation of this proposed chapter, including \$32,825 in license fees for the National Electronic Interstate Compact Enterprise (NEICE), the system used to securely exchange data under the ICPC. The Department also pays a \$13,700 association membership fee.

- **Anticipated effect on State revenues:**

This proposed rulemaking has no impact on State revenues.

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

Rulemaking is required as a condition of participation in the ICPC.

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:**

Not applicable.

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

Rulemaking is required as a condition of participation in the ICPC.

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?

This proposed rulemaking has no impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 441—Chapter 142 and adopt the following **new** chapter in lieu thereof:

CHAPTER 142
INTERSTATE COMPACT ON THE PLACEMENT OF CHILDREN

441—142.1(232) Compact agreement. As a member of the interstate compact on the placement of children, the department will cooperate on interstate aspects of placements preliminary to possible adoptions, placements in foster care where no adoption is contemplated, placements with any parent or relative, and institutional placements of adjudicated children in need of assistance needing special services or programs not available within the state. Any public or private agency instrumental in placement of a child in Iowa or from Iowa and in such public or private agency’s custody will go through the interstate compact on placement of children.

441—142.2(232) Compact administrator.

142.2(1) The compact administrator may appoint up to three deputy compact administrators to serve as active members of the association of administrators of the interstate compact on the placement of children and who shall be responsible for day-to-day operation of the interstate compact.

142.2(2) The compact administrator shall be responsible for the administration of the compact between the compact administrator’s state and other contracting states.

441—142.3(232) Article III(a) procedures.

142.3(1) All intended placements in Iowa or from Iowa coming under the purview of this compact shall be referred to the department.

142.3(2) All persons involved in the placement of a child into Iowa or from Iowa into another state shall meet all the placement requirements of the receiving state prior to the actual placement.

142.3(3) Supervision of placements made by persons or agencies outside of Iowa shall be provided by a licensed Iowa agency, the department, or an Iowa-certified adoption investigator. Exempted from this provision are:

a. Any agency licensed as a child-placing agency in another state that has its principal place of business in a county directly adjacent to an Iowa border may practice in the Iowa counties contiguous to the out-of-state county.

b. Placement in a facility for treatment that is licensed by the department unless the department specifies that the supervision must be provided by the department for all placements in any particular facility.

441—142.4(232) Article III(c). A child may be placed in Iowa preliminary to adoption only when there has been a preplacement investigation by an authorized person or agency in Iowa, such investigation has been made available to the department, the investigation has been made within the past year, and the sending state intending to place the child has been notified that the home has been approved for an adoptive placement in Iowa.

441—142.5(232) Article V(c). For the purposes of article V(c), “sending state” means “sending agency.”

441—142.6(232) Article VIII(a). For the purpose of article VIII(a), “relative” means stepparent, grandparent, adult brother or sister, or adult uncle or aunt, and “guardian” means any guardian other than that appointed as preliminary to adoption.

441—142.7(232) Applicability. The requirements of this compact shall be in effect for all placements into Iowa from any state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico and, with the consent of Congress, the government of Canada and any province thereof, or from Iowa to any state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico and, with the consent of Congress, the government of Canada and any province thereof.

441—142.8(232) NEICE database.

142.8(1) Definitions. For the purpose of this chapter, unless the context otherwise requires:

“*National Electronic Interstate Compact Enterprise system*” or “*NEICE system*” means the national electronic web-based system for administration of the interstate compact on the placement of children made available to states by the American Public Human Services Association through its affiliate, the Association of Administrators of the Interstate Compact on the Placement of Children.

“*Security requirements*” means all policies or system security guidance established by the department and the department of management related to the use of external computer systems for the storage of personally identifiable data elements of applicants for and recipients of department services. Security requirements as defined herein include but are not necessarily limited to completion by the vendor of the then-current cybersecurity framework made available by the National Institute of Standards and Technology, department confirmation that the system has passed the cybersecurity framework analysis, completion by the vendor of an information security risk assessment acceptable to the department, performance by the vendor of a system penetration test acceptable to the department, and an application scan for vulnerabilities, as well as remediation of any vulnerabilities identified.

142.8(2) Department obligation to provide data to the NEICE system.

a. At all times that the NEICE system meets security requirements, the department will place in the system all data elements and information that the system is configured to accept concerning children subject to the interstate compact.

b. Prior to placing personally identifiable data elements in the NEICE system, the department will confirm that the NEICE system complies with all security requirements. If at any time after placement of personally identifiable data in the NEICE system the department determines that the NEICE system fails to meet all security requirements or that personally identifiable data placed in the system by the department has been used or disclosed inappropriately, the department may cease using the NEICE system and may demand that all data provided by the department be removed from the system.

These rules are intended to implement Iowa Code section 232.158.