RA 26-241

HUMAN SERVICES DEPARTMENT[441]

Regulatory Analysis

Notice of Intended Action to be published: 441—Chapter 167
"Juvenile Detention Reimbursement"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 232.142
State or federal law(s) implemented by the rulemaking: Iowa Code section 232.142

Public Hearing

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

September 8, 2026 10 a.m.	Microsoft Teams Meeting ID: 245 818 881 867 66 Passcode: ya9va9uv

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:

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321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliancerules@hhs.iowa.gov

Purpose and Summary

This proposed chapter was reviewed as a part of the Red Tape Review as set forth by Executive Order 10. As a part of this review, restrictive terms were eliminated and rules were updated to reflect modern practices. This proposed chapter sets forth rules for eligible juvenile detention homes to receive reimbursement from the Department for the cost of operating the detention homes.

Analysis of Impact

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

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

This proposed rulemaking does not have a cost to the public.

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

Eligible juvenile detention homes will benefit from these proposed rules by having clear requirements for reimbursement.

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:**

This proposed rulemaking will help clarify which costs of juvenile detention homes are eligible for reimbursement, as well as the steps necessary to receive the approved reimbursement funds.

- **Qualitative description of impact:**

Juvenile detention home administrators will benefit from this proposed rulemaking by having clear steps necessary to be deemed eligible and receive reimbursement.

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 associated with enforcement of this proposed chapter.

- **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 by Iowa Code section 232.142.

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:**

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?

This proposed rulemaking is not expected to have any impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 441—Chapter 167 and adopt the following **new** chapter in lieu thereof:

CHAPTER 167
JUVENILE DETENTION REIMBURSEMENT

441—167.1(232) Definitions.

"Allowable costs" means those expenses of the county or multicounty related to the establishment, improvements, operation, and maintenance of county or multicounty juvenile detention homes.

"County or multicounty" means that the governing body is a county board of supervisors or a combination of members of participating county boards of supervisors.

"Detained" means the period of time a youth is physically occupying a bed in a juvenile detention home, that is, from the time of intake at the juvenile detention home (nothing prior to this) to the time a youth is discharged from the bed at the home (nothing after this).

"Eligible costs" are those allowable costs that are directly attributable to the function of detaining youth in the home, from the point of intake through discharge from the home.

"In-home detention" means a detention program that confines a child to the child's residence as an alternative to secure detention at juvenile detention home. In-home detention allows limited movement for approved activities like school, work or medical appointments and aims to provide supervision of children while enabling them to maintain some responsibilities and relationships outside of a secure juvenile detention home.

441—167.2(232) Availability of funds. Any year that the Iowa legislature makes funds available for this program, the department will accept requests for reimbursement from eligible facilities.

441—167.3(232) Eligible detention homes. County and multicounty juvenile detention homes shall be eligible for reimbursement under this program when:

167.3(1) The home:

a. Is approved by the department under the standards of Iowa Code chapter 232.

b. Submits the following completed forms and audits by March 15, or within ten days of completion if after March 15, of the year following the conclusion of the state fiscal year for which reimbursement will be made.

(1) A written statement identifying the eligible total net cost that will be claimed.

(2) A copy of the department-authorized financial and statistical report for juvenile detention homes.

(3) A copy of the home's certified audit containing financial information for the period for which reimbursement is being claimed.

c. Has an independent certified public accountant or an independent accounting firm complete the financial and statistical report and certify the fair presentation of the report. The preparer shall have the experience necessary to complete the report in accordance with generally accepted accounting principles (GAAP) and the instructions for completing the financial and statistical report.

167.3(2) The department has reviewed the information submitted and determined that the costs to be claimed meet eligibility requirements. Eligible costs are based on the portions of the allowable costs that are directly attributable to the function of detaining youth in the home.

a. Costs are not eligible for reimbursement if a supplemental funding, reimbursement, or refund source is available to the home. County payments to an eligible home for the function of detaining youth in the home are not considered to be supplemental funding, reimbursement, or refund sources for the purpose of this subrule. Ineligible costs include but are not limited to:

(1) Refundable deposits.

(2) Services funded by sources other than the juvenile detention reimbursement program.

(3) Operational activities.

b. Costs attributed to portions of the home not directly used for detaining children.

c. Costs of alternatives to detaining youth in the approved detention home. Alternative services ineligible for reimbursement include but are not limited to:

(1) Community tracking and monitoring activities.

(2) Transportation during the time a youth is detained that is not related to service or care and keep or that is the responsibility of or funded by another source.

(3) Outreach services.

(4) In-home detention.

d. Capital expenses are depreciated over the useful life of the item following GAAP. The annual depreciated amount for items that are eligible costs may be claimed for reimbursement.

(1) Capital expenses include items costing more than $5,000 that have a useful life of over two years.

(2) Depreciation schedules shall be filed with the department annually.

441—167.4(232) Available reimbursement. The reimbursement for the participating detention homes will be based on the distribution formula authorized by Iowa Code section 232.142.

441—167.5(232) Reimbursement by the department. Reimbursement will only be made to those participating juvenile detention homes that the department has determined to have complied with these rules.

These rules are intended to implement Iowa Code section 232.142.