



Iowa General Assembly

Administrative Rules Review Committee Briefings

Legislative Services Agency – Legal Services Division

ADMINISTRATIVE RULES REVIEW COMMITTEE BRIEFINGS

Meeting Dates: January 5, 2017

Purpose. *This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at <https://www.legis.iowa.gov/>, or from the agency connected with the meeting or topic described.*

PUBLIC RETIREMENT SYSTEMS COMMITTEE

January 5, 2017

Co-chairperson: Representative Dawn Pettengill

Co-chairperson: Senator Mark Chelgren

PUBLIC HEALTH DEPARTMENT, State Medical Examiner-Autopsy Fee, 12/6/17 IAB, ARC 3499C, ADOPTED.

Background. This rulemaking increases the fee, beginning July 1, 2018, for an autopsy conducted by the State Medical Examiner, from \$1,400 to \$1,900.

Commentary. Ms. Susan Dixon, Department of Public Health, reviewed the rulemaking. Mr. Dennis Klein, State Medical Examiner, presented the reasoning for the rulemaking, explaining that the increased fee was needed in part in order to sustain services by hiring and maintaining a new pathologist to fill a vacancy that has existed since April 2016.

Committee members expressed concern about raising the fee for autopsies as a means to meet expenses. Committee members encouraged the State Medical Examiner to avoid raising fees in the future for that purpose. In lieu of raising fees, committee members encouraged the State Medical Examiner to increase efficiencies or seek an appropriation from the General Assembly.

Upon inquiry, Mr. Klein stated that the total cost to perform an autopsy is \$2,800. He further stated that the Office of the State Medical Examiner is only allowed to conduct state-authorized autopsies. He indicated that in order to conduct private autopsies, the Office of the State Medical Examiner would need statutory authority. Mr. Klein stated that last year the Office of the State Medical Examiner conducted 860 autopsies. He indicated that the operating budget for the office is approximately \$3 million with the funding coming from an appropriation by the General Assembly (\$822,000); \$3 for each death certificate (\$400,000); and fee for service, i.e. conducting autopsies at the request of county medical examiners (remaining funds).

Action Taken. No action taken.

DEPARTMENT OF WORKFORCE DEVELOPMENT, *Employer Records, Reports, Contribution and Charges—Fees, Collection of Covered Unemployment Compensation*, 12/20/17 IAB, ARC 3529C, ADOPTED.

Background. This rulemaking establishes a new \$500 penalty for employers who fail to timely register with the Department of Workforce Development upon beginning business in the state of Iowa for purposes of determining liability for unemployment insurance. The rulemaking also imposes a \$200 fee for failing to register electronically, provides that the department shall utilize the federal Treasury Offset Program in order to collect covered unemployment compensation, and makes other technical changes. When this rulemaking was reviewed under notice at the committee's October 10, 2017, meeting, committee members questioned whether the department has statutory authority to adopt such fees by rule and whether it is appropriate for such fees to be established by rule rather than through legislation. In communication with the committee subsequent to the meeting, the department indicated that it would not move forward with the penalty and fee by rule and might pursue legislation on the matter.

Commentary. Mr. David Steen, appearing on behalf of the department, stated that the department had adopted Item 1 of this rulemaking in error. He explained that after the discussion that occurred when this rulemaking was reviewed under notice at the October 10, 2017, meeting, the department determined that this matter could be more effectively pursued through

the legislative process. He further explained that Items 2 and 3 of noticed rulemaking ARC 3522C, which contain additional proposed employer penalties relating to unemployment insurance, were proposed in error and would not be adopted by the department. Committee members noted that the department will need to carry out rulemaking to rescind Item 1 of ARC 3529C prior to the adjournment of the 2018 Legislative Session.

Action. A motion for a session delay on Item 1 passed on a short-form vote with nine members present (seven votes required to pass).

COLLEGE STUDENT AID COMMISSION, *Student Loan Debt Collection*, 12/20/17 IAB, ARC 3517C, NOTICE.

Background. This rulemaking permits the College Student Aid Commission to enter into an agreement with the Department of Revenue or another state agency to assist in collecting defaulted student loans through claims against a defaulted borrower's state income tax refund or rebate.

Commentary. Committee members asked for more information about the nature of the debt at issue, how the commission came to be responsible for collecting it, and how the collection process would be carried out. Commission representatives Ms. Julie Leeper and Mr. Todd Brown explained that the debt at issue is based on private student loans, the commission purchased the debt for 30 cents on the dollar from Iowa Student Loan over previous decades, and about \$15 million of the debt remains to be collected. They explained that the commission has already collected more than it paid for the debt, and therefore any further collections are a profit to the commission. They explained that the commission entered into this arrangement with the Department of Revenue after its previous contract with a third-party debt collector expired, and the commission received no bids on a request for proposals for a new contract. They explained that the commission does not have the statutory authority to write off this debt as uncollectible and thus must continue to attempt to collect it in perpetuity. They explained that the department will deduct its expenses from any funds collected.

Committee members questioned whether it is appropriate for the state to continue to attempt to collect student loan debts for so long a period of time or for the Department of Revenue to collect debt on private student loans. Committee members suggested that this matter may deserve consideration by the General Assembly.

Action. No action taken.

PROFESSIONAL LICENSURE DIVISION, PUBLIC HEALTH DEPARTMENT, *Massage Therapy-Licensure, and Education, Curriculum*, 1/3/18 IAB, ARC 3541C, NOTICE.

Background. This rulemaking updates the education requirements for massage therapy education, increasing the minimum number of required hours of education from 500 hours to 600 hours. In its preamble to the rule, the Board of Massage Therapy stated that all Iowa massage therapy schools that have submitted a curriculum for approval with the board currently meet or exceed the 600-hour program requirement. The board stated that the current 500-hour requirement is not in line with Iowa Code section 152C.3(1)"a," which requires a 600-hour standard for massage therapy education.

Commentary. Mr. Tony Alden, Board Executive, Professional Licensure Bureau, presented the rule and received questions from the committee.

Mr. Alden indicated that provisions governing education requirements changed in 2011. Mr. Alden stated that it was his understanding that the board started the rulemaking process to change the Iowa Administrative Code to require 600 hours for massage therapy education, but that the rulemaking ceased due to "pushback." No subsequent rulemaking on this issue occurred until the present rule.

Committee members expressed concern that the possible increased cost to massage therapy students for increasing the required number of education hours may be unduly burdensome. Committee members also expressed concern that massage therapy schools are requiring too many hours for completion of education. Mr. Alden indicated that most massage therapy schools in Iowa require 1,000 or 1,100 hours for completion as a business means and in order to prepare students for admission to practice massage therapy in Nebraska, which, Mr. Alden stated, requires 1,100 hours to obtain a license.

Action Taken. No action taken.

Next Meeting. The next committee meeting will be held in Room 116, Statehouse, on Friday, February 9, 2017, beginning at 9:00 a.m.

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Internet Site: www.legis.iowa.gov/committees/committee?endYear=2017&groupID=705