



Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

August 12, 2019

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 <https://www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact>.

With each rule summary, the rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (**NOIA**), Amended Notice of Intended Action (**ANOIA**), Notice of Termination (**NOT**), Adopted and Filed Emergency (**AFE**), Filed Emergency After Notice (**FEAN**), and Adopted and Filed (**AF**).

Table of Contents	
Agency	Page
Department of Human Services	1
Department on Aging	2
Civil Rights Commission	4
Department of Commerce/Insurance Division	4
Real Estate Appraiser Examining Board	5
Department of Commerce/Utilities Division	5
Board of Educational Examiners	6
Library Services Division	6
Department of Inspections and Appeals	7
Iowa Lottery Authority	7
Department of Public Health	7
Professional Licensure Division	8
Dental Board	9
Board of Pharmacy	9
Department of Public Safety	11
Department of Revenue	11
Department of Workforce Development	12
Labor Services Division	13
Attorney General	13
Department of Transportation	14
Department of Veterans Affairs	14
Workers' Compensation Division	14

Department of Human Services

ARC 4572C (FEAN)

Rule Summary Removes specific amounts listed for the statewide average charges for nursing facility services to private-pay residents, average pay charges for nursing facilities and psychiatric medical institutions for children, and the maximum Medicaid rate for intermediate care facilities for persons with an intellectual disability. The Department will now publish the revised amounts for these charges annually on its website.

State or Federal Law Implemented: Iowa Code section 249A.4.

Fiscal Impact **Agency Response:** No fiscal impact.

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

2

LSA Response: The LSA concurs.

ARC 4573C (AF)

Rule Summary Removes obsolete form references from the Family Investment Program rules and removes outdated and unnecessary rules related to electronic benefits transfer (EBT) for food assistance.

State or Federal Law Implemented: Iowa Code sections 234.6 and 239B.4(6).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4574C (AF)

Rule Summary Adjusts the federal poverty level (FPL) increments used to assess premiums for applicants and recipients for the Medicaid for Employed People with Disabilities (MEPD) Program with income over 150.0% of the FPL.

State or Federal Law Implemented: Iowa Code section 249A.4.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4576C (AF)

Rule Summary Removes references to obsolete form numbers and names related to child support.

State or Federal Law Implemented: Iowa Code section 217.6.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4575C (AF)

Rule Summary Provides a definition of a customized wheelchair for all Medicaid members and providers and aligns Iowa's Medicaid definition of a customized wheelchair with the definition for the Medicare program provided by the Centers for Medicare and Medicaid Services.

State or Federal Law Implemented: Iowa Code section 249A.4.

Fiscal Impact **Agency Response:** Minimal fiscal impact. Clearly defining a customized wheelchair will allow for standardized billing and may prevent Iowa Medicaid from paying separately for items that should have been part of standard coverage. This could result in Medicaid savings, but the impact is not expected to be significant.

LSA Response: The LSA concurs.

LSA Staff Contact: Jess R. Benson (515.281.4611) jess.benson@legis.iowa.gov

Department on Aging

ARC 4542C (NOIA)

Rule Summary Includes Senior Community Service Employment Program (SCSEP) subgrantees as an aggrieved party in the Department's complaint and appeal procedures, as required by federal guidelines.

State or Federal Law Implemented: Iowa Code section 231.53.

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

3

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Eliminates unnecessary language that duplicates currently existing language in the federal Older Americans Act and Iowa Code chapter 231, regarding qualifications of an Area Agency on Aging. **ARC 4543C (NOIA)**

State or Federal Law Implemented: Iowa Code section 231.32 and 2018 Iowa Acts, House File 2451 (Aging Department, Older Iowans, Statutory Updates Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Eliminates the reference to use of subgrants by the Area Agencies on Aging to maintain compliance with the federal Older Americans Act. **ARC 4544C (NOIA)**

State or Federal Law Implemented: Iowa Code section 231.33 and 2018 Iowa Acts, House File 2451 (Aging Department, Older Iowans, Statutory Updates Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Eliminates duplication of definitions referenced in the Iowa Code or Iowa Administrative Code; and continues movement toward the creation of a single and comprehensive chapter of definitions applicable to all chapters within the Department's rules. **ARC 4545C (NOIA)**

State or Federal Law Implemented: Iowa Code section 231.4 and 2018 Iowa Acts, House File 2451 (Aging Department, Older Iowans, Statutory Updates Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Rescinds and reserves a rule chapter that pertains to the Older American Community Service Employment Program. This Program is a federal program, and duplication in the Iowa Administrative Code is unnecessary. **ARC 4546C (NOIA)**

State or Federal Law Implemented: Iowa Code section 231.51.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Creates rules that relate to the Office of the State Long-Term Care Ombudsman's (OSLTCO) new Managed Care Ombudsman Program. **ARC 4547C (NOIA)**

State or Federal Law Implemented: Iowa Code section 231.44.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

4

ARC 4548C (NOIA)

Rule Summary Directs the Aging and Disability Resource Center (ADRC) to perform duties mandated by federal and State law and rule in conjunction with the Area Agencies on Aging Area Plan. Provides that the Area Agencies on Aging Area Plan shall include specified services in accordance with the Iowa Administrative Code and as described in the Area Agency on Aging Procedures Manual.

State or Federal Law Implemented: Iowa Code section 231.64.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4550C (NOIA)

Rule Summary Makes several changes to the Office of Public Guardian (formerly the Office of Substitute Decision Maker), including:

- Changing the name of the office from the Office of Substitute Decision Maker to the Office of Public Guardian.
- Removing two categories of services, acting as attorney-in-fact under a Power of Attorney and acting as a personal representative in probate estates, from the list of services provided by the Office.
- Changing eligibility criteria to match the Iowa Code and changing references to the National Guardianship Association to refer instead to the Center for Guardianship Certification.

State or Federal Law Implemented: Iowa Code chapters 231E and 633.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Jess R. Benson (515.281.4611) jess.benson@legis.iowa.gov

Civil Rights Commission

ARC 4551C (NOIA) & ARC 4552C (AFE)

Rule Summary Implements requirements pertaining to a request for an assistance animal as a reasonable accommodation for a disability in housing pursuant to 2019 Iowa Acts, Senate File 314 (Service Animals Act). The legislation requires the Iowa Civil Rights Commission to adopt a form for a health care professional, as defined by the statute, to make a written finding regarding whether the patient or client has a disability and whether the need for an assistance animal is related to the disability.

State or Federal Law Implemented: 2019 Iowa Acts, Senate File 314.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Laura Book (515.205.9275) laura.book@legis.iowa.gov

Department of Commerce/Insurance Division

ARC 4578C (AF)

Rule Summary Amends current rules and proposes a new rulemaking to require pharmacy benefits managers to file with the Insurance Commissioner an annual report related to rebates and administrative fees received by pharmaceutical companies and the extent to which

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

5

those rebates and administrative fees are passed on to the insurance companies for which the pharmacy benefits managers provide services.

State or Federal Law Implemented: Iowa Code chapters 510 and 510B and 2019 Iowa Acts, Senate File 563 (Health Benefit Plan and Pharmacy Benefits Manager Transparency Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs. The Fiscal Note for Senate File 563 stated that the Insurance Division anticipates that the changes required by the rulemaking can be accomplished with existing staff.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Real Estate Appraiser Examining Board

Rule Summary **ARC 4566C (NOIA)**
Implements changes requiring expedited licensure for spouses of active duty members of the military forces of the United States and prohibiting the suspension or revocation of a license issued by the Board to a person who is in default or is delinquent on repayment or a service obligation under federal or State postsecondary educational loans or public or private services-conditional postsecondary tuition assistance solely on the basis of such default or delinquency. Reflects the Board's recent relocation from the Professional Licensing and Regulation Bureau to the Division of Banking by incorporating additional standard agency and licensing board chapters.

State or Federal Law Implemented: Iowa Code chapter 543D; 2019 Iowa Acts, Senate File 304 (Licenses, Student Loan Delinquency Act); and 2019 Iowa Acts, House File 288 (Licensure Reciprocity for Military Spouses and the Injured Veterans Grant Program Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary **ARC 4567C (NOIA)**
Fixes inaccurate statements based on previously adopted rules and amends the language to be in compliance with minimum standards of The Appraisal Foundation's 2018 Real Property Appraiser Qualification Criteria.

State or Federal Law Implemented: Iowa Code chapter 543D.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Department of Commerce/Utilities Division

Rule Summary **ARC 4536C (NOIA)**
Adds clarity, improves consistency, and eliminates outdated or unneeded provisions following the expansion of the definition of "public utility" to include sanitary sewage and storm water drainage disposal services. Includes provisions related to sanitary sewage and storm water drainage utilities under the Board's jurisdiction.

State or Federal Law Implemented: Iowa Code chapter 476.

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

6

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Updates practices, procedures, and filing requirements for making filings with the Board. **ARC 4537C (NOIA)**

State or Federal Law Implemented: Iowa Code chapter 476.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Board of Educational Examiners

Rule Summary Establishes a 30-day timeline for reporting of disciplinary action or awareness of misconduct to the Board. **ARC 4560C (NOIA)**

State or Federal Law Implemented: 2019 Iowa Acts, HF 637 (Teacher Disciplinary Action, School District Reporting Requirement Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Lora Vargason (515.725.2249) lora.vargason@legis.iowa.gov

Library Services Division

Rule Summary Removes an obsolete requirement for an advisory council. Lowers the number of copies of State agency publications to be deposited with the State Library. Increases the minimum retention period for depository collections. **ARC 4553C (NOIA)**

State or Federal Law Implemented: Iowa Code sections 256.51(1)"d" and 256.53.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Establishes a circulation policy regarding library cards, loan periods, fines, fees, and the suspension of library privileges regarding access to the State Library's collections. Clarifies that the State Library records are confidential and that the State Librarian is the custodian of the Library's records. **ARC 4554C (NOIA)**

State or Federal Law Implemented: Iowa Code section 256.59.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

Department of Inspections and Appeals

ARC 4577C (AF)

Rule Summary Establishes a special classification within the residential care facility category in order to foster the development of residential care facilities which serve persons with an intellectual disability, a chronic mental illness, a developmental disability, or a brain injury, and which contain five or fewer residents. Requires such a facility to be located in an area zoned for single or multiple-family housing or in an unincorporated area and to be constructed in compliance with applicable local requirements and with the concept of the least restrictive environment for the facility residents. Removes the requirement that a person successfully complete an approved residential aide course, nurse aide course, nurse aide training and testing program, or nurse aide competency examination prior to taking a Department-approved medication aide course. Updates the language used in expressing bedroom requirements to maintain consistency with the Department's rules related to similar facilities.

State or Federal Law Implemented: Iowa Code section 135C.14.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Iowa Lottery Authority

ARC 4563C (NOIA)

Rule Summary Updates the Iowa Lottery Authority's processes on the receipt and review of administrative appeals. Provides structure for vendor appeals and eliminates the Iowa Lottery Authority hearing board. Also provides the option for the Lottery's Chief Executive Officer to either elect to preside over the hearing or to appoint an administrative law judge from the Administrative Hearings Division of the Iowa Department of Inspections and Appeals to serve as presiding officer and issue a proposed ruling.

State or Federal Law Implemented: Iowa Code chapter 99G.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Department of Public Health

ARC 4538C (NOIA)

Rule Summary Rescinds chapter on approval of mandatory reporter training curricula for child and dependent adult abuse mandatory reporter training pursuant to 2018 Iowa Acts, chapter 91 (Mandatory Child Abuse and Dependent Adult Abuse Reporter Training Requirements Act). The Act moved the requirement for the development of this training to the Department of Human Services.

State or Federal Law Implemented: 2018 Iowa Acts, chapter 91.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

8

ARC 4539C (NOIA)

Rule Summary Implements changes to Department of Public Health programs made in 2019 Iowa Acts, chapter 85 (FY 2020 Health and Human Services Appropriations Act). Changes include:

- Removes the definition for “specialty care referral network” and amends the definition of “specialty health care provider office” to remove the reference to the Iowa Collaborative Safety Net Provider Network.
- Rescinds reimbursement of expenses for the Child Death Review Team members.
- Rescinds the Advisory Committee to the Center for Rural Health and Primary Care.
- Rescinds reimbursement of expenses for members of the Emergency Medical Services Advisory Council.
- Limits the Trauma System Advisory Council to seven members.

State or Federal Law Implemented: Iowa Code chapter 147A and 2019 Iowa Acts, chapter 85, sections 66, 70, 72, 73, 74, 78, 82, and 84.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4540C (NOIA)

Rule Summary Combines the duties and members of the Advisory Council for the State Medical Examiner into the Interagency Coordinating Council for the State Medical Examiner pursuant to 2019 Iowa Acts, chapter 85 (FY 2020 Health and Human Services Appropriations Act).

State or Federal Law Implemented: Iowa Code chapter 691 and 2019 Iowa Acts, chapter 85.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

ARC 4541C (NOIA)

Rule Summary Updates frequency of training for mandatory child abuse and dependent adult abuse reporters to conform to changes for mandatory reports in 2019 Iowa Acts, chapter 91 (Mandatory Child Abuse and Dependent Adult Abuse Reporter Training Requirements Act).

Rescinds chapter on licensure standards for substance abuse treatment programs in correctional facilities. Community-based corrections programs will now follow standards for all programs, found in Licensure Standards for Substance Use Disorder and Problem Gambling Treatment Programs.

State or Federal Law Implemented: Iowa Code section 125.13 and 2019 Iowa Acts, chapter 91.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Professional Licensure Division

ARC 4557C (AF) & ARC 4390C (AFE)

Rule Summary Adds licensing rules for two new professions under the Board of Behavioral Sciences: behavior analysts and assistant behavior analysts. Sets license fees for the two new

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

9

professions at \$300; however, licenses issued within one year of the renewal period are not subject to the renewal fee.

State or Federal Law Implemented: Iowa Code chapter [154D](#).

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs in part. Minimal fiscal impact. A projected 50 applicants for each license type would generate \$30,000 during initial licensure to cover Department of Public Health staff and support costs and software development for the licensing system.

ARC 4569C (NOIA)

Rule Summary Updates approval processes for testing eligibility for the Board of Physical and Occupational Therapy to conform to the Federation of State Boards of Physical Therapy's Alternative Approval Pathway initiative. Includes updates to the procedure for requesting special accommodations as well as clarification and score updates for foreign-trained applicants.

State or Federal Law Implemented: Iowa Code chapters [147](#), [147C](#), and [148A](#).

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Dental Board

ARC 4556C (AF)

Rule Summary Updates the requirements for providing sedation and nitrous oxide in dental offices.

State or Federal Law Implemented: Iowa Code section [153.33](#) and [153.33B](#).

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Board of Pharmacy

ARC 4555C (FEAN)

Rule Summary Extends the sunset date of the vaccine administration by pharmacists through physician-approved protocols through June 30, 2020, pursuant to [HF 766](#) (FY 2020 Health and Human Services Appropriations Act).

State or Federal Law Implemented: Iowa Code section [155A.44](#) and 2019 Iowa Acts, [HF 766](#).

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

ARC 4570C (NOIA)

Rule Summary Identifies all registered pharmacy employees as authorized dispensers of pseudoephedrine products.

State or Federal Law Implemented: Iowa Code section [124.212B](#).

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

10

Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	<p style="text-align: right;"><u>ARC 4579C (AF)</u></p> <p>Updates rules after the Board's overall five-year review pursuant to Iowa Code section <u>17A.7(2)</u>. Adds definitions, updates cross references, and makes other changes to conform to current Board operation.</p> <p>State or Federal Law Implemented: Iowa Code sections <u>147.2</u>, <u>147.3</u>, <u>147.4</u>, <u>147.5</u>, <u>147.9</u>, <u>147.10</u>, <u>147.11</u>, <u>147.34</u>, <u>147.36</u>, <u>147.44</u>, <u>147.49</u>, <u>147.53</u>, <u>147.55</u>, <u>147.76</u>, <u>147.80</u>, <u>155A.6</u>, <u>155A.7</u>, <u>155A.8</u>, <u>155A.9</u>, <u>155A.11</u>, <u>155A.12</u>, <u>155A.19</u>, <u>155A.40</u>, <u>155A.44</u>, <u>155A.46</u>, <u>272C.2</u>, <u>272C.2A</u>, <u>272C.2B</u>, <u>272C.2C</u>, <u>272C.3</u>, and <u>272C.4</u>.</p>
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	<p style="text-align: right;"><u>ARC 4580C (AF)</u></p> <p>Implements Division II of 2018 Iowa Acts, chapter <u>1138</u> (Opioid Regulation Act), which requires the electronic transmission of all prescriptions by January 1, 2020, and provides for petitions for exemption.</p> <p>State or Federal Law Implemented: Iowa Code sections <u>124.308</u> and <u>155A.27</u>.</p>
Fiscal Impact	Agency Response: Minimal fiscal impact. The Board anticipates an extra two days of meetings to review petitions for exemption to the mandate. This would result in an estimated \$2,500 in expenses. LSA Response: The LSA concurs.
Rule Summary	<p style="text-align: right;"><u>ARC 4581C (AF)</u></p> <p>Implements <u>SF 304</u> (Licensing Sanctions Act), which prohibits the suspension or revocation of the license of a person who is in default or is delinquent on repayment or a service obligation under federal or State postsecondary educational loans or private services-conditional postsecondary tuition assistance solely on the basis of such default or delinquency.</p> <p>State or Federal Law Implemented: 2019 Iowa Acts, <u>SF 304</u>.</p>
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	<p style="text-align: right;"><u>ARC 4582C (AF)</u></p> <p>Implements <u>HF 288</u> (Military and Veterans Benefits Act) that requires agencies to establish procedures to expedite the licensing of a spouse of an active duty member of the military forces who is licensed in a similar profession or occupation in another state.</p> <p>State or Federal Law Implemented: 2019 Iowa Acts, <u>HF 288</u>.</p>
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	<p style="text-align: right;"><u>ARC 4583C (AF)</u></p> <p>Replaces the word "prescribe" with the word "order" when referring to a pharmacist's participation in statewide protocols. Clarifies that for the purposes of rules pertaining to statewide protocols, the order shall constitute a prescription.</p>

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

11

State or Federal Law Implemented: Iowa Code section 155A.46.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Department of Public Safety

Rule Summary Amends existing rules to reflect a recent departmental change of not charging retired peace officers a fee if they request a replacement identification card. **ARC 4549C (NOIA)**

State or Federal Law Implemented: 18 U.S.C. §926C.

Fiscal Impact **Agency Response:** Minimal fiscal impact. Although the proposed change removes a \$5 fee per replacement license, this fee is not routinely charged to retired peace officers. The Department began printing these replacement cards in-house nine months ago and has printed three replacement cards in that time frame.

LSA Response: The LSA concurs.

Rule Summary Establishes a process for a military service applicant to obtain credit for education, training, or service that can be applied to licensure as a fire extinguishing and alarm systems contractor or installer. Establishes a process for a veteran who is currently licensed in a different jurisdiction to obtain reciprocity in Iowa for that license. **ARC 4584C (AF)**

State or Federal Law Implemented: Iowa Code section 272C.4.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Laura Book (515.205.9275) laura.book@legis.iowa.gov

Department of Revenue

Rule Summary Requires that withholding agents only need to file W-2 and 1099 forms for employees from whom tax was withheld. Proposes moving the relevant filing deadline from January 31 to February 15 annually. **ARC 4561C (NOIA)**

State or Federal Law Implemented: Iowa Code section 422.16.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

Rule Summary Implements an exemption from sales tax on specified digital products and prewritten computer software, and of certain enumerated services sold or furnished to a “commercial enterprise” when used exclusively by the commercial enterprise pursuant to Iowa Code section 423.3(104) as enacted by 2018 Iowa Acts, chapter 1161 (State and Local Revenue and Finance Act). The exemption defines “de minimis” and “noncommercial purposes” as required by the Iowa Code section. **ARC 4562C (NOIA)**

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

12

State or Federal Law Implemented: Iowa Code section 423.3, and 2018 Iowa Acts, chapter 1161.

Fiscal Impact **Agency Response:** The impact of the exemption was not represented individually by the Fiscal Note for the Act, but was incorporated into the calculation for the additional revenue to be generated by the taxation of “digital goods” generally. Table 7 of the Fiscal Note for the Act projected additional revenue collection related to “digital goods” to be \$11.8 million for FY 2019, \$26.2 million for FY 2020, \$28.8 million for FY 2021, \$31.1 million for FY 2022, \$33.6 million for FY 2023, and \$35.6 million for FY 2024.

LSA Response: The LSA concurs.

Rule Summary Adjusts the underlying excise tax rate on gasoline from 30.7 cents per gallon (ending June 30, 2019) to 30.5 cents per gallon (beginning July 1, 2019) pursuant to the formula prescribed by Iowa Code section 452A.3. **ARC 4585C (AF)**

State or Federal Law Implemented: Iowa Code section 452A.3.

Fiscal Impact **Agency Response:** Under the excise tax rates applicable for FY 2020 as implemented by the rule change and as required by statute, it is estimated that, accounting for refunds, collections will be \$435.3 million, resulting in a decrease of \$1.1 million in revenues.

LSA Response: The LSA concurs. The estimate compares revenues at the previous and proposed rates after assuming a 1.3% decrease in both ethanol blended and gasoline taxable gallons for FY 2020 compared to FY 2019.

LSA Staff Contact: Jeff W. Robinson (515.281.4614) jeff.robinson@legis.iowa.gov

Department of Workforce Development

Rule Summary Establishes rules and procedures for implementation and administration of the new Employer Innovation Fund established pursuant to new Iowa Code section 84A.13, as enacted by HF 2458 (Future Ready Iowa Act), to create a private/public partnership that accelerates the regional workforce talent pipeline. **ARC 4558C (AF)**

State or Federal Law Implemented: Iowa Code chapter 96 and 2018 Iowa Acts, chapter 1067.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs in part. Although the rulemaking has no fiscal impact, the legislation associated with it does. The Fund received an FY 2020 \$1.2 million General Fund appropriation in SF 608 (FY 2020 Economic Development Appropriations Act).

Rule Summary Aligns the administrative rule related to unemployment insurance wage earnings limitations with Iowa Code section 96.3. **ARC 4559C (AF)**

State or Federal Law Implemented: Iowa Code sections 96.3, 96.4, and 96.19(38).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

13

Labor Services Division

Rule Summary ARC 4564C (NOIA)
Places in rules a specified fee for a non-routine inspection of a boiler or pressure vessel outside of normal business hours requested by the owner or user instead of having the Labor Commissioner negotiate an additional appropriate fee. Updates phone numbers for reporting explosions, injuries, and related incidents.

State or Federal Law Implemented: Iowa Code chapter 89.

Fiscal Impact **Agency Response:** Minimal fiscal impact. Since requests for inspections outside the normal schedule are not common, any impact on the Boiler and Pressure Vessel Safety Fund is expected to be minimal.

LSA Response: The LSA concurs.

Rule Summary ARC 4565C (NOIA)
Defines the phrase “reputable insurance company” and allows the Labor Commissioner to issue a notice of commission probation when an investigation reasonably reveals that the special inspector does not represent a reputable insurance company or the special inspector filed inaccurate reports. Iowa Code section 89.7 requires a commissioned special inspector to be a representative of a reputable insurance company.

State or Federal Law Implemented: Iowa Code chapter 89.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Attorney General

Rule Summary ARC 4571C (AF)
Modifies the definition of “lost wages or income” to be the gross rate of pay, decreased by 25.0%. Allows the Crime Victim Assistance Division (CVAD) to set rates for the laboratory and prescription drug charges related to the Sexual Abuse Examination Payment Program. Rescinds a rule regarding compensation for counselors funded by the federal Victims of Crime Act (VOCA). Enhances the Victim Compensation Program’s wage loss benefit for eligible survivors when the relationship between the deceased victim and survivor compels the survivor to miss work for grief and the missed work is documented. Updates existing language to conform to current language under Iowa Code chapter 915.

State or Federal Law Implemented: Iowa Code section 915.86.

Fiscal Impact **Agency Response:** The changes are expected to result in a total annual cost savings of approximately \$741,000 to the Victim Compensation Fund. Of this total, the modification to wage loss payments is estimated to result in \$193,000 in savings to the Fund and the modification to the prescription drug and laboratory charges is estimated to result in \$548,000 in savings to the Fund.

LSA Response: The LSA concurs.

LSA Staff Contact: Laura Book (515.205.9275) laura.book@legis.iowa.gov

Administrative Rules — Fiscal Impact Summaries

August 12, 2019

14

Department of Transportation

ARC 4586C (AF)

Rule Summary Makes technical changes including:

- Relocating rules regarding persons exempt from driver's licensing requirements to the appropriate chapter.
- Updating definition of "qualified medical professional."
- Updating requirements for duplicate license issuance to match Department practice.
- Eliminating a provision addressing license issuance based on student loan delinquency, which was deemed obsolete by 2019 Iowa Acts, Senate File 304 (License, Student Loan Delinquency Act).

State or Federal Law Implemented: Iowa Code sections 321.176, 321.177, 321.182, 321.189, 321.196, and 321.445, and 2019 Iowa Acts, Senate File 304.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Rodrigo Acevedo (515.281.6764) rodrigo.acevedo@legis.iowa.gov

Department of Veterans Affairs

ARC 4587C (AF)

Rule Summary Changes a reference to county of legal settlement to refer instead to county of residency. This change relates to the administrative billing procedures for adult Mental Health and Disability Services (MHDS).

State or Federal Law Implemented: 2018 Iowa Acts, ch. 1137.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Workers' Compensation Division

ARC 4568C (FEAN)

Rule Summary Provides for the electronic filing of information, documents, and fees.

State or Federal Law Implemented: Iowa Code chapters 85, 85A, 85B, and 86.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov
