



Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

February 13, 2023

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 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**).

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Department of Human Services

ARC 6811C (NOIA)

Rule Summary Amends definitions and program titles to create uniformity with other State and federal references and removes specific references to form titles to reduce the need for future rulemakings to keep form title references current. Also updates language relating to child care assistance for foster care providers to reflect a change in the source of funding the program. Details the method by which a child care provider may request a review of the calculation of a half-day rate.

State or Federal Law Implemented: Iowa Code section 234.6.

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

LSA Response: The LSA concurs. The Department estimates expending approximately \$1.6 million in FY 2023 and \$2.1 million in FY 2024 in child care assistance payments to foster care providers. This rulemaking shifts the expenditure from the Child and Family Services appropriation to the Child Care Assistance appropriation.

LSA Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov

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Department of Agriculture and Land Stewardship

ARC 6783C (AF)

Rule Summary Removes pesticide registration fee language that is no longer relevant. 2022 Iowa Acts, House File 2581 (Agriculture Omnibus Act) changed registration fees for pesticides to a flat fee of \$300.

State or Federal Law Implemented: Iowa Code section 206.12 as amended by 2022 Iowa Acts, House File 2581.

Fiscal Impact **Agency Response:** The **Fiscal Note** from the 2022 Legislative Session for House File 2581 estimated either a loss of \$320,000 or a gain of \$390,000 to the Groundwater Protection Fund depending on how trends continue.

LSA Response: The LSA concurs.

ARC 6806C (NOIA) & ARC 6807C (AFE)

Rule Summary Updates existing rules to reflect the new 320-acre hemp production limit, updates the fee structure accordingly for more transparency, and updates the sampling methodology to ensure a 95 percent confidence interval for testing of THC.

State or Federal Law Implemented: Iowa Code chapter 204 and 2022 Iowa Acts, House File 2380 (Hemp Acreage Cap Act).

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

LSA Response: The LSA concurs in part. The **Fiscal Note** from the 2022 Legislative Session for House File 2380 states that the fiscal impact cannot be determined due to the changes in program participation being unknown.

LSA Staff Contact: Austin Brinks (515.725.2200) austin.brinks@legis.iowa.gov

Iowa Finance Authority

ARC 6819C (NOIA)

Rule Summary Creates the Housing Renewal Pilot Program and the Housing Renewal Program Fund within the Iowa Finance Authority. 2022 Iowa Acts, House File 2564 (FY 2023 Economic Development Appropriations Act), authorized the Authority to allocate funds to a nonprofit Iowa affiliate to award grants to eligible participants. The legislation defined eligible activities for Program funds as the acquisition, rehabilitation, and resale of ownership units; the acquisition and demolition of blighted structures; and the redevelopment of ownership units. The proposed rulemaking describes the operation of the Program by defining relevant terms, establishing requirements related to agreements, and establishing a reporting requirement.

State or Federal Law Implemented: 2022 Iowa Acts, House File 2564.

Fiscal Impact **Agency Response:** This proposed rulemaking has no known fiscal impact to the State of Iowa beyond that of the legislation it is intended to implement. 2022 Iowa Acts, House File 2564, created a new General Fund appropriation for FY 2023. Division III of HF 2564 appropriated \$500,000 to the Authority for the Housing Renewal Pilot Program. Division III of the Act also permitted the Authority to use no more than 5.0% of the moneys allocated to the Housing Renewal Pilot Program for administration and oversight of the Program.

LSA Response: The LSA concurs.

LSA Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov

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State Public Defender

Rule Summary **ARC 6800C (AF)**
Eliminates outdated and obsolete references and updates other references. Removes rules related to the State Public Defender's payment of claims for foreign language interpreters. Clarifies and corrects minor inconsistencies and makes minor technical corrections to the rules.

State or Federal Law Implemented: Iowa Code chapters 13B and 815.

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

LSA Response: The LSA concurs in part. 2021 Iowa Acts, House File 707 (Court Interpreters Act) transferred payment responsibility to the Jury and Witness Fee Revolving Fund for interpreter claims in legal proceedings formerly paid by the Indigent Defense Fund. According to the **Fiscal Note** for HF 707, this change was estimated to shift \$500,000 in interpreter costs from the State Public Defender to the Jury and Witness Fee Revolving Fund. 2021 Iowa Acts, House File 861 (FY 2022 Justice System Appropriations Act) and 2021 Iowa Acts, House File 864 (FY 2022 Judicial Branch Appropriations Act) transferred \$500,000 from the Indigent Defense Fund to the Jury and Witness Fee Revolving Fund to account for this shift of interpreter costs beginning in FY 2022.

Rule Summary **ARC 6799C (AF)**
Implements a \$2-per-hour increase for private attorneys who accept court appointments to represent indigent clients. Updates the claim review process. Increases the attorney fee limitations for the number of hours that may be claimed for juvenile court review and other postdispositional court hearings from five hours to eight hours. Increases automobile expense payments to contract attorneys from 39 cents per mile to 50 cents per mile. Removes obsolete and outdated references.

State or Federal Law Implemented: Iowa Code chapters 13B and 815 and 2022 Iowa Acts, House File 2559 (FY 2023 Justice System Appropriations Act).

Fiscal Impact **Agency Response:** Enactment of the \$2-per-hour rate increase is estimated to increase annual costs to the Indigent Defense Fund by approximately \$1.0 million. The increase in the fee limitation on juvenile court review and other postdispositional court hearings is expected to increase annual costs to the Indigent Defense Fund by an unknown amount, but the amount is expected to be less than \$100,000 annually and less than \$500,000 over five years. The increase in the mileage rate is estimated to increase annual costs to the Indigent Defense Fund by between \$175,000 and \$200,000.

LSA Response: The LSA concurs. The General Fund appropriation to the State Public Defender for FY 2023 included an increase of \$1.0 million to provide funding for the \$2-per-hour rate increase for private attorneys.

LSA Staff Contact: Isabel Waller (515.281.6561) isabel.waller@legis.iowa.gov

Iowa Public Employees' Retirement System

Rule Summary **ARC 6823C (NOIA)**
Rescinds and updates rules to meet the requirements of the statutory five-year review of rules, updates contribution rates for all classes of members, corrects an inaccuracy as to the assignment of the duty to establish funding policy, clarifies which earnings constitute reemployment earnings, increases consistency between similar rules and processes, and reflects current practice.

State or Federal Law Implemented: Iowa Code chapter 97B.

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Fiscal Impact

Agency Response: The Iowa Public Employees' Retirement System's (IPERS) enabling legislation requires that employer and employee contribution rates for each member class be updated every fiscal year. For FY 2024, there were no changes in the employer and employee contribution rates for Regular membership and the Protection Occupation group. The Regular membership contribution for both FY 2023 and FY 2024 is 15.73%, and for the Protection Occupation group, both the FY 2023 and FY 2024 contribution rate is 15.52%.

For FY 2024, the contribution rate for the Sheriffs and Deputies group is decreasing from 17.52% in FY 2023 to 17.02%. The total decrease is estimated to be approximately \$7.3 million, or \$3.6 million for both the employees' and the employers' groups.

LSA Response: The LSA concurs.

LSA Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
