



## Fiscal Services Division

### ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

**April 12, 2013**

*Section 17A.4(4) Iowa Code 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 [http://staffweb.legis.state.ia.us/lfb/docs/Admin\\_Rules/arfiscal\\_notes.htm](http://staffweb.legis.state.ia.us/lfb/docs/Admin_Rules/arfiscal_notes.htm)*

**NOTE :** The impact for ARC 0653C(page 11) has been revised since original publication.

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\*Agencies with a blue border have one or more rules with a significant fiscal impact.

#### Department on Aging

**ARC 0619C**

**Rule Summary** Adds and updates definitions in Chapter 23 related to the federal Older Americans Act and the Aging And Disability Resource Center (ADRC).

**Fiscal Impact** No fiscal impact.

**ARC 0621C**

**Rule Summary** Updates the mission statement and organizational structure of the Department.

**Fiscal Impact** No fiscal impact.

**ARC 0627C**

**Rule Summary** Terminates rules related to streamlining and eliminating outdated and duplicative rules related to the Area Agencies on Aging (AAAs). The Department will renounce the proposed amendments to incorporate alternate changes and clarifications.

**Fiscal Impact** No fiscal impact.

**ARC 0640C**

**Rule Summary** Makes the following changes:

- The Department on Aging will be able to require area plans for a period of two years and up to four. Currently, AAAs are required to submit four year plans.
- The AAAs will be allowed flexibility to determine if a director is necessary. Currently, each area agency on aging is required to have a full-time director.

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- The Department on Aging will not need to de-designate an area agency on aging for failing to meet service standards. De-designation is still an option under rule 17-4.6231, but this will allow flexibility in response to deficiencies.
- The section related to priority service expenditures was moved to Chapter 5. The hearing section related to priority service expenditures was moved to the area plan hearing section of 17-6.2231.
- The inconsistent and unenforceable section of entrepreneurial activities will be removed. This change will give the AAAs clarification on what is necessary to perform entrepreneurial activities.

**Fiscal Impact** No fiscal impact.

**Rule Summary** Clarifies the source of nutrition information, gives the AAAs flexibility to plan menus, and details guidance for the AAAs on providing notification of opening, relocating, or terminating a nutrition site. **ARC 0623C**

**Fiscal Impact** No fiscal impact.

**Rule Summary** Establishes the structure of the Aging and Disability Resource Center (ADRC) as directed by Iowa Code section 231.64. **ARC 0624C**

**Fiscal Impact** No fiscal impact.

**Rule Summary** Eliminates the Chapter on the Iowa Senior Living Program Home-and Community-Based Services for seniors. This Chapter is related to the Senior Living Trust Fund and since the Fund no longer exists, this Chapter is obsolete. No services are being eliminated. **ARC 0625C**

**Fiscal Impact** No fiscal impact.

**Rule Summary** Establishes the procedure to be followed by AAAs during the process to reduce the number of agencies, as mandated by HF 2320 (FY 2013 Area Agency Reorganization Act). **ARC 0626C**

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Jess Benson (Ext. 14611)

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### Office of the Attorney General

**Rule Summary** Amends forfeited property rules to conform with Iowa Code section 809A.17. Decreases the amount of forfeiture proceeds retained by the Office of the Attorney General from 20.0% to 10.0% for both cash and real estate. Removes the requirement of notice to the Office of the Attorney General whenever property is seized for forfeiture, except for real estate seizures. Requires local agencies to apply for vehicle title transfer or junking certificate within 10 days of receipt of title from the State of Iowa. **ARC 0646C**

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

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**Educational Examiners Board**

**ARC 0677C**

**Rule Summary** Allows the executive director of the Board of Educational Examiners to file an ethics complaint when a licensee fails to comply with a board order. Adds the “creed” to the list of bases on which a licensee may not discriminate. The purpose of this addition is to mirror the list of protected classes in Iowa Code section 216.9, the section of the Iowa Civil Rights Act concerning education. Adds failure to comply with a Board order as a basis for licensee discipline. This would address situations in which a licensee received a deferred suspension but fails to satisfy the required conditions. Creates an independent basis for discipline, so the failure to comply with a Board order could lead to an ethics complaint and a contested case proceeding.

**Fiscal Impact** No fiscal impact.

**ARC 0676C**

**Rule Summary** Allows the teacher intern license, coaching authorization, substitute authorization, and driver instructor authorization to expire at the end of the holder's birth month, that aligns with teaching licenses that expire at the end of the birth month.

**Fiscal Impact** No fiscal impact.

**ARC 0678C**

**Rule Summary** Prohibits romantic and/or sexual relationships between licensees and former students for 180 days following the student's graduation, if the licensee and the student had a direct and/or supervisory relationship prior to the student's graduation.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: John Parker (Ext. 52249)

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**Department of Inspections and Appeals**

**ARC 0675C and ARC 0674C**

**Rule Summary** Clarifies the definition of a “health care worker” subject to the tuberculosis (TB) screening requirements outlined in Iowa Administrative Code Chapter 481 – 59. Excludes volunteers in a health care facility or hospital that are not on a consistent and regular schedule and work less than five (5) hours per week. Also excludes from the definition of “health care worker” individuals such as visitors, building contractors, repair workers, or others in the facility or hospital for a very limited purpose that are not in the facility or hospital on a regular basis.

Amendments in these rules are identical. ARC 0674C is filed emergency, and ARC 0675C gives notice of intended action. Chapter 481 – 59 had an effective date of March 26, 2013, so the emergency filing of ARC 0674C also has an effective date of March 26, 2013; the amended definition of health care worker takes effect at the same time as the rules dealing with TB screening. The notice of intended action for ARC 0675C allows for public comment.

**Fiscal Impact** There is no significant impact but the amended definition of a health care worker will reduce costs somewhat by testing and screening fewer individuals.

## ARC 0663C

**Rule Summary** Makes technical changes to reflect the adoption of the new Chapter 481 – 59 that deals with screening and testing for tuberculosis. These amendments are identical to those filed in ARC 0513C on December 12, 2012, as ARC 0513C.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

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## Iowa Public Information Board

## ARC 0644C

**Rule Summary** Establishes new administrative rules for the Iowa Public Information Board. The Board was created by SF 430 (Public Information Board) during the 2012 Legislative Session to provide an alternative means to enforce laws governing open meetings and public records. The Board members were appointed by the Governor, and have developed rules and laid groundwork to begin operations on July 1, 2013.

The rules address:

- Organization & General Administration – requirements for requesting and processing advisory opinions and addressing conflicts of interest of Board members.
- Complaint Investigation and Resolution Procedures – requirements for filing and processing written complaints as well as investigating, assessing of civil penalties, and reaching settlements.
- Declaratory Orders – procedures for petitioning the Board for a declaratory order that may bind the requestor based on the facts presented.
- Contested Cases – procedures that will apply in the event that a complaint is not resolved informally and results in charges by the Board that proceed to a hearing.
- Petitions for Rule Making – procedures to request the Board to adopt new rules, amend rules, or repeal existing rules.
- Agency Procedures for Rule Making – procedures that apply in any rule making undertaken by the Board under Iowa Code chapter 17A.
- Fair Information Practices – identification of the records to be maintained by the Board and specifying records that are open, that are confidential, and that contain personally identifiable information about members of the public.
- Records Access – procedures for requesting access to records, for requesting that records provided to the Board be kept confidential, for making additions, dissents, or objections to records maintained by the Board, the use of records, and the conditions allowing records to be released.

**Fiscal Impact** The Board will be funded by an appropriation by the Administration and Regulation Appropriations Subcommittee. The rules have no fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

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## Professional Licensure Division

## ARC 0651C

**Rule Summary** Adds a definition of a provisional license to determine the circumstances under which a provisional license may be obtained. Establishes the time limits for serving as a provisional administrator and defines the provisional license application requirements. Further, adds provisional license to the definitions for discipline to be consistent with changes in Iowa Code Chapter 155.

**Fiscal Impact** No fiscal impact.

**ARC 0679C**

**Rule Summary** Clarifies the amount of time a licensure application is active, updates the supervised clinical experience requirements, removes outdated language for licensure by endorsement, and specifies that conviction of a crime includes when judgment of conviction or sentence was deferred.

**Fiscal Impact** No fiscal impact.

**ARC 0680C**

**Rule Summary** Updates the requirements for optometry licensure and removes outdated language.

**Fiscal Impact** No fiscal impact.

**ARC 0681C**

**Rule Summary** Clarifies that a respiratory therapist provides treatment modalities with the potential for serious side effects and the licensee is prohibited from treating concurrently or failing to provide supervision of the patient for the duration of the treatment. Also, adds the definition of direct supervision.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

**Department of Public Health**

**ARC 0650C**

**Rule Summary** Requires AIDS Drug Assistance Programs to be the payer of last resort (per federal mandates). In addition, it requires all programs to begin to provide assistance for health insurance premiums, co-pays, and deductibles when eligible clients have insurance and when this is more cost effective than providing medications directly. Funding has been provided from the Health Resources and Services Administration (HRSA) for this purpose and there are no state matches required. Payment of insurance co-pays and deductibles also allows the state to access rebates from pharmaceutical manufacturers through a federal drug-pricing program that generates revenues for the program. These revenues must be used for Ryan White Part B Program expenses.

**Fiscal Impact** It is estimated that this will result in a 5.0% to 10.0% client increase, or approximately 38 clients a year. Clients must be residents of Iowa, be HIV positive, have incomes less than 400.0% of the Federal Poverty Level, and have access to health insurance. Premiums, co-pays and deductibles average \$2,829 per client per year. Rebates through the 340B program average \$6,382 per client per year. Therefore, the estimated impact is \$350,000 a year. There is no impact to the General Fund.

**ARC 0654C**

**Rule Summary** Outlines the process of how to apply for and receive the Department's Emergency Medical Services (EMS) System Development grants. In addition, it eliminates a requirement that the funds be awarded competitively to remove barriers that local applicants currently experience and improve the accessibility to receive these grants.

**Fiscal Impact** No fiscal impact.

**ARC 0672C**

**Rule Summary** Provides an exemption for health care providers and hospitals from reporting communicable and infectious disease lab results if the health care provider or hospital ensures that the laboratory performing the analysis provides a report containing the required information to the Department.

**Fiscal Impact** No fiscal impact.

**ARC 0664C**

**Rule Summary** Updates definitions to reflect current standards of practice by changing the name of the Iowa newborn screening program to reflect scope of disorders. In addition, increases the newborn screening fee to cover costs for the addition of Severe Combined Immunodeficiency (SCID) to the state's newborn screening panel. The current fee is \$112 and the proposed fee is \$122.

**Fiscal Impact** There is no fiscal impact to the General Fund. The fiscal impact is estimated to be an increase in receipts of approximately \$380,000 annually to the Congenital and Inherited Disorders Fund.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

**Department of Education**

**ARC 0641C**

**Rule Summary** Increases the school bus inspection fee to \$40 dollars per vehicle beginning July 1, 2013. Presently the fee for each bus inspection is \$28.

**Fiscal Impact** School districts pay the fees when inspections are performed. Currently, the Department of Education has two bus inspectors on staff paid by the fees. Raising the fee to \$40 will allow for the hiring of one additional inspector. Based on the number of buses statewide, the new inspection fee will increase the fees paid by school districts by \$148,080 or \$426 per district.

STAFF CONTACT: John Parker (Ext. 52249)

**Soil Conservation Division**

**ARC 0655C**

**Rule Summary** Amends rules related to the Soil and Water Conservation Cost Share Program. Changes include:

- Updates the allocation factors for counties used to distribute the original Soil and Water Conservation Cost Share funding allocation. Each year there is an original allocation and then a second or supplemental allocation of Cost Share funding that was not expended or obligated in the original allocation. The original allocation is based on the formula  $A = wzf$ , the rule amends the "w" factor for some of the Districts. The formula factors include:
  - A = allocation to the District.
  - w = the percentage factor (District acres divided by State acres) for the District. Acre information is from the State soil survey database that lists soil map units for each county.
  - z = 60.0% of the current fiscal year funds for the original allocation.
  - f = an adjustment factor of 0.980 applied to each District's allocation to adjust the original allocation to compensate for establishing a minimum of four-tenths of 1 percent of "z" to ensure that each district has a workable program.

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- Allows additional funding to be used for protecting public lakes.
- Requires an annual review of the priority ranking system by the Soil and Water Conservation Districts. This information will be transmitted electronically to the Department of Agriculture and Land Stewardship (DALs).
- Allows funding for water protection practices to be used in combination with other public funds.
- Expands the list of eligible practices.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Deb Kozel (16767) and Adam Broich (Ext. 18223)

### Department of Transportation

**ARC 0658C**

**Rule Summary** Items One and Two will allow qualified firefighters and members of an emergency medical services agency that are current plate holders of a firefighter plate or an emergency medical services plate, the ability to apply for reissuance of the previously assigned plate number during a plate replacement or if the plate is lost, damaged, or stolen. Item Three makes a change to the definition of principal place of business to state that the business must be within the state of Iowa. Item Four will allow a Department representative, not just a Department investigator, to physically inspect an applicant's principal place of business when the applicant is applying for a motor vehicle dealer's license if the Department decides that an inspection is required.

**Fiscal Impact** No fiscal impact.

**ARC 0661C**

**Rule Summary** Permits the submission of reports of incapable drivers to the Department of Transportation by registered nurse practitioners licensed under Iowa Code chapter 152 or physician assistants licensed under Iowa Code chapter 148C. Reports are designated as confidential records of the Department, just as reports submitted by physicians and optometrists.

**Fiscal Impact** No fiscal impact.

**ARC 0660C**

**Rule Summary** Updates rules per Iowa Code requirements. Iowa Code section 321.449 requires the Department to adopt rules consistent with the Federal Motor Carrier Safety Regulations (FMCSR). Iowa Code section 321.450 requires the Department to adopt rules consistent with Federal Hazardous Materials Regulations (HMR).

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: David Heuton (Ext. 50509)

### Department of Human Services

**ARC 0633C**

**Rule Summary** Implements the January 1, 2013, cost of living increases to several State Supplementary Assistance categories.

**Fiscal Impact** This change is estimated to cost the General Fund \$94,000 in FY 2013 and \$192,000 in FY 2014. This change is required by federal law and funding was provided in SF 2336 (FY 2013 Health and Human Service Appropriations Act).

|                      |   |                  |
|----------------------|---|------------------|
|                      |   | <b>ARC 0631C</b> |
| <b>Rule Summary</b>  | Makes the following changes to the Medicaid Program: <ul style="list-style-type: none"><li>• Clarifies dental coverage criteria.</li><li>• Reduces exceptions to policy requests by adding coverage for nitrous oxide under certain circumstances and establishing prior authorization requirements for tissue grafts, antimicrobial agents, denture replacements, and denture rebase.</li><li>• Increases the frequency of topical fluoride applications provided by dentists.</li><li>• Adds prior authorization requirements for crowns, anterior partial dentures, an oral appliance for obstructive sleep apnea, and occlusal guards.</li><li>• Removes prior authorization requirements for periodontal surgical procedures.</li></ul>  |                  |
| <b>Fiscal Impact</b> | Minimal fiscal impact.  |                  |
|                      |   | <b>ARC 0649C</b> |
| <b>Rule Summary</b>  | Makes the following changes relating to providers of medical and remedial care under the Medicaid Program: <ul style="list-style-type: none"><li>• Renames augmentative communication device to speech generating device and reclassifies it from prosthetics to medical equipment consistent with Medicare classification.</li><li>• Reclassifies oral nutrition from the prosthetic category to the medical supply category consistent with the classification in the Healthcare Common Procedure Coding System (HCPCS).</li><li>• Adds coverage for bath chairs, non-standard patient lifters, power wheelchair attendant control, a secondary ventilator, and wheelchairs for members in an intermediate care facility for the intellectually disabled.</li><li>• Lowers the age limit for incontinence products from four years to three years of age.</li><li>• Allows for reimbursement that exceeds established Medicaid fee schedule amounts for some items.</li><li>• Adds a prior authorization requirement for shower commode chairs.</li></ul> |                  |
| <b>Fiscal Impact</b> | Minimal fiscal impact.  |                  |
|                      |   | <b>ARC 0632C</b> |
| <b>Rule Summary</b>  | Expands prior authorization requirements for diabetic equipment and supplies not covered by rebate agreements under Medicaid. If the Department has a current agreement for a rebate with at least one manufacturer of a particular category of diabetic equipment or supplies (such as blood glucose monitors, blood glucose test strips, lancing devices, lancets, or diabetic syringes) prior authorization will be required for any equipment or supplies in that category produced by manufacturers that have not contracted with the Department to provide a rebate. However, this requirement will not apply to supplies for members receiving care in a nursing facility or an intermediate care facility for the intellectually disabled. Prior authorization will be granted when medically necessary.  |                  |
| <b>Fiscal Impact</b> | This change is estimated to save the General Fund \$43,000 annually.  |                  |
|                      |   | <b>ARC 0639C</b> |
| <b>Rule Summary</b>  | Clarifies the policy regarding the treatment of income and resources for institutionalized spouses that apply for the Program for All-Inclusive Care for the Elderly PACE.  |                  |
| <b>Fiscal Impact</b> | No fiscal impact.   |                  |



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**ARC 0637C**

**Rule Summary** Adds language to include Indian Health Care providers in the IowaCare Network to serve IowaCare-eligible Native Americans.

**Fiscal Impact** This change is required by the federal government. There is a potential for a slight savings with the federal government financing 100.0% of the expenditures.

**ARC 0638C**

**Rule Summary** Revises the sliding scale used to determine premiums for medical assistance benefits under the IowaCare program to reflect the revised 2013 Federal Poverty Levels (FPL) based on income for the household size.

**Fiscal Impact** Minimal fiscal impact. This will have an estimated state impact of \$261 for FY 2013 and \$1718 for FY 2014 in potential increase per premiums collected. The majority of IowaCare members are under 100.0% of the federal poverty level and do not pay any premiums.

**ARC 0671C**

**Rule Summary** Clarifies terminology for actions taken within the appeals process by participating organizations and individuals. Specifically, a prehearing conference can currently be held informally with the local office and the appellant or more formally with an administrative law judge. When changes were made to the Chapter 7 rules effective February 1, 2013, all references to the informal version with the local office were erroneously removed. The rules were revised to clarify the date the appeal will be considered received if submitted by an electronic delivery method. As the volume of documents that are submitted electronically grows, it is best to document how the date received is calculated within the rules.

**Fiscal Impact** No fiscal impact.

**ARC 0668C**

**Rule Summary** Amends the rules to decrease premiums for applicants and recipients under the Medicaid for Employed People with Disabilities (MEPD) program with income that exceeds 150.0% of the federal poverty level (FPL). This change is required by the federal Social Security Act.

**Fiscal Impact** This change will reduce Medicaid revenues by \$98,165 in FY 2014 and \$214,469 in FY 2015.

**ARC 0667C**

**Rule Summary** Implements the Integrated Health Home (IHH) for members with a Serious Mental Illness (SMI) or a Serious Emotional Disturbance (SED), as defined in the State Plan. This is phase 2 of a planned implementation schedule for meeting federal guidelines for this program. These three rule changes add the information required to define eligibility, modify the payment matrix to assure accuracy, and ensure that Health Home providers collaborate with case managers or social workers for individuals with chronic conditions. The rules assure that individuals with SMI or SED will have all care coordinated within their IHH provider and that children with SED are served by integrated health home providers trained in a System of Care model.

**Fiscal Impact** The cost is anticipated to be budget neutral, but the reimbursement methodology for the IHH for members with Serious and Persistent Mental Illness has not yet been finalized. Until rates are set, the fiscal impact cannot be determined.

|                      |   |
|----------------------|---|
|                      | <b>ARC 0665C</b>  |
| <b>Rule Summary</b>  | Reflects the reimbursement rate increase of 2.0% for providers of Home and Community-Based Service (HCBS) Waivers on January 1, 2013. The rule increases the caps on total monthly costs of HCBS waiver services for members under each waiver by 2.0%, with the exception for the Elderly Waiver nursing facility level of care, which was increased by 17.00% from \$1,117 to \$1,300 in July 2012. The increase allows members to receive the same services after the rate increase. |
| <b>Fiscal Impact</b> | These changes are estimated to cost the General Fund \$2.2 million in FY 2013 and \$4.6 million in FY 2014. Funding was provided for this change in SF 2336 (FY 2013 Health and Human Services Appropriations Act).   |

|                      |   |
|----------------------|---|
|                      | <b>ARC 0669C</b>  |
| <b>Rule Summary</b>  | Makes the following changes relating to providers of medical and remedial care: <ul style="list-style-type: none"><li>• Sets the base year for calculating the hospital incentive payment as the previous hospital year.</li><li>• Permits an alternate option for children's hospitals to participate, using a specially assigned number by Centers for Medicare and Medicaid Services (CMS).</li><li>• Clarifies and updates the application, agreement and payment processes, including that dually eligible hospitals will report to CMS.</li></ul> |
| <b>Fiscal Impact</b> | No fiscal impact.   |

|                      |  |
|----------------------|--|
|                      | <b>ARC 0666C</b>   |
| <b>Rule Summary</b>  | Eliminates the restriction of using a cell phone as a primary phone in registered child development homes. |
| <b>Fiscal Impact</b> | No fiscal impact.  |

|                      |   |
|----------------------|---|
|                      | <b>ARC 0670C</b>  |
| <b>Rule Summary</b>  | Changes the Child Care Assistance (CCA) fee to reflect revisions based on new federal poverty levels. |
| <b>Fiscal Impact</b> | No fiscal impact.   |

STAFF CONTACT: Jess Benson (Ext. 14611) and Estelle Montgomery (Ext. 16764)

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**Environmental Protection Commission**

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|---------------------|--|
|                     | <b>ARC 0648C</b>   |
| <b>Rule Summary</b> | Adopts federal amendments for the Prevention of Significant Deterioration (PSD) Program related to greenhouse gas emissions. Proposed changes will streamline Iowa's PSD program by providing additional opportunities for plant-wide applicability limits or PAL permits. The federal amendments were published in the Federal Register on July 12, 2012, and became effective on August 13, 2012. Refer to <a href="http://www.gpo.gov/fdsys/pkg/FR-2012-07-12/pdf/2012-16704.pdf">http://www.gpo.gov/fdsys/pkg/FR-2012-07-12/pdf/2012-16704.pdf</a> .<br><br>A PAL permit is a voluntary program available to qualifying facilities that establishes plant-wide emission limits on a pollutant-by-pollutant basis. If a facility can maintain the overall emissions of a particular pollutant below the PAL level, the facility can make changes without triggering a PSD review. The rules provide regulatory flexibility to affected facilities that choose to apply for PAL permits. |

Currently the DNR has received one application for a PAL permit from the University of Iowa (U of I). Other companies have inquired about the availability of a PAL.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Deb Kozel (16767) and Adam Broich (Ext. 18223)

**Department of Revenue**

|                      |  |
|----------------------|--|
|                      | <b>ARC 0653C</b>   |
| <b>Rule Summary</b>  | Requires county assessors to adjust for non-cropland in distributing agricultural productivity valuation to each parcel. The adjustment is be applied to non-cropland with a corn suitability rating (CSR) that is greater than 50.0% of the average corn suitability rating for cropland for the county. An example of the adjustment calculation is provided. The adjustment procedure is to be implemented by the 2017 assessment year. Counties may apply for an extension up to the 2019 assessment year. A taxpayer may apply to the county for the adjustment to non-cropland beginning with the 2014 assessment.   |
| <b>Fiscal Impact</b> | No fiscal impact for the State. Some counties will incur costs. A geographic information system (GIS) is a system designed to capture, store, manipulate, analyze, manage, and present many types of geographical data. Most counties already perform valuations using digital GIS tools, so there is no fiscal impact for them. The adjustment will simply be a recalculation. There are up to 33 counties that have digital GIS but do not have the necessary software tools to make the needed calculations. Depending on the upgrade assistance needed, the cost is estimated to be between \$5,000 and \$15,000 each or a total cost between \$165,000 and \$495,000. Five counties do not have GIS systems and digital parcels. For these counties, the valuation adjustment would be a manual task, and the county assessor or hired part-time staff would perform the required calculations. Manual measurement and calculation is a slow process and may take several years to complete using part-time help. The cost per county for part-time staff is estimated to be between \$15,000 and \$20,000 per year or \$45,000 to \$60,000 over a three year period. If a county decides to add a digital GIS parcel system, then it will cost that county approximately \$105,000 to \$115,000 for the system, software, and digital parcels. |

**Rule Summary** Announces a public hearing for ARC 0653C.

**ARC 0659C**

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

**Department of Administrative Services**

**ARC 0636C**

**Rule Summary** Amends approval process for employee memberships in professional organizations with meeting registration fees paid by the department. The Executive Council will no longer approve the membership. Instead, approval will be granted by the department director and the director of the Department of Management and will be published to the Iowa transparency internet site established by Iowa Code Section 8G.4. This rule is identical to ARC 0553C published as a notice of intended action on December 19, 2012.

**Fiscal Impact** No fiscal impact.

**ARC 0460C**

**Rule Summary** Changes the merit system definition of “confidential employee” by adding an employee that is in a confidential relationship with a director, chief deputy administrative officer, division administrator, or similar position and is a part of that administrator’s management or legal team. A confidential relationship exists when the employee has a duty to the administrator not to disclose information. This rule was originally published on September 5, 2012, as ARC 0327. No changes were made to the content of this rule. The DAS commented that “Several public comments were received. Several of the comments indicated that some believed the rule is too broad and could be interpreted to include a large number of employees.”

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

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**Department of Agriculture and Land Stewardship**

**ARC 0645C**

**Rule Summary** Updates references and citations for the Renewable Fuels Program recently moved to IDALS.

**Fiscal Impact** No fiscal impact.

**ARC 0642C and 0656C**

**Rule Summary** Amends Chapters 64 and 65 to permit a new tuberculosis testing method for cervidae. All cervidae imported into the State must be tested for tuberculosis. The new testing method has been approved by the USDA Animal and Plant Health Inspection Service.

**Fiscal Impact** No fiscal impact.

**ARC 0634C**

**Rule Summary** Adopts federal regulations by reference in Chapter 76, “Meat and Poultry Inspection.”

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Adam Broich (Ext. 18223)

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**Dental Board**

**ARC 0629C**

**Rule Summary** Adopts Chapter language more consistent with industry terminology and Iowa Code. Amended language includes the Early Childhood Iowa (ECI) initiative authorized by Iowa Code chapter 256I and daycare centers (excluding home-based day care centers).

**Fiscal Impact** No fiscal impact.

**ARC 0618C**

**Rule Summary** Corrects a cross-reference in the rules applicable to dental hygiene licensure by credentials and streamlines the initial registration process for dental assistants applying for registration within three months of the next renewal due date. Dental assistant applicants applying close to a renewal cycle will pay the application fee and the renewal fee at the same time. Their registration will be issued for a period of 24 months plus the amount of time remaining until the next renewal due date. This change will eliminate the need for applicants to submit two separate applications and

fees within one three-month period. Similar rule amendments were adopted for the initial licensure and renewal for dentists and dental hygienists. The proposed amendments extend the same process to dental assistant applicants.

**Fiscal Impact** Minimal fiscal impact to the Board of Dentistry.

**Rule Summary** Removes term limits for membership on the Iowa Practitioner Review Committee. Articulates that membership terms begin on May 1 and end on April 30. Requires an annual election of a chair and vice chair with terms that begin on May 1 and clarifies that participation in the program occurs through either a practitioner self-reporting or a referral from the Iowa Dental Board. **ARC 0617C**

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

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**Iowa Finance Authority**

**Rule Summary** Permits the Title Guaranty (TG) Division Director to delegate the inspection of title plants to a person or entity other than the Division staff. Clarifies requirements that apply when an applicant for a title plant seeks to do business under a different name. **ARC 0682C**

**Fiscal Impact** No fiscal impact to the General Fund. Fiscal impact to the TG Division will be dependent on the rate charged by the person or entity selected for inspections and the number of inspections that take place per year. These costs could be approximately \$25,000 and will be paid by the TG Division or the TG Division will need to have staff conduct the inspections.

**Rule Summary** Eliminates the option that allowed recipients of the Military Homeownership Assistance Program to receive the assistance in conjunction with a conventional loan that was lower cost than the loan products offered by IFA. Makes technical corrections. **ARC 0683C**

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Kenneth Ohms (Ext. 52200)

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**Iowa Public Employees' Retirement System**

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| <b>Rule Summary</b> | IPERS proposes the following changes: <ul style="list-style-type: none"><li>• Implements new contribution rates for regular and special service members beginning July 1, 2013.</li><li>• Clarifies when IPERS coverage ends for employees that are employed in two IPERS-covered positions at the same time.</li><li>• Corrects a date in a subrule regarding bona fide retirement of licensed health care professionals as amended in 2012 Iowa Acts, HF 2465, section 21, to implement prior legislative changes in 2010 Iowa Acts, HF 2518, Section 19.</li><li>• Clarifies IPERS benefit calculation for members vested by age and not service, and for members age 70 and older receiving an in-service benefit.</li><li>• Corrects an error in terminology in a subrule regarding fast-track review of a disability application.</li><li>• Clarifies the timeframe to review disability applicant files.</li></ul> | <b>ARC 0662C</b> |
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| <b>Fiscal Impact</b> | <ul style="list-style-type: none"> <li>• Establishes rules for payments to members and beneficiaries of the Favorable Experience Dividend (FED) account balance when the account balance is not sufficiently funded.</li> <li>• Updates several rules regarding IPERS' administration of Domestic Relations Orders</li> </ul> <p><b>Regular Membership</b> - The contribution rate for regular membership for July 1, 2013, through June 30, 2014, is 5.95% for the members and 8.93% for the employers for a total contribution rate of 14.88%. This is an increase of 0.43% compared to the previous year's 14.45% contribution rate. The member's contribution rate will increase 0.17% and the employer's contribution rate will increase 0.26%. This is an increase compared to the previous year of approximately \$29.0 million in total. For the regular class member group, contribution amounts are split 60/40 between employers and members.</p> <p><b>Sheriffs and Deputies</b> - The contribution rate for the sheriffs and deputies membership for July 1, 2013, through June 30, 2014, is 9.88% for both the member and the employer for a total rate of 19.76%. This is a decrease compared to the previous year when the total rate was 19.80% and each group's contribution was 9.90%. This is a savings (decrease) of approximately \$40,000 in total. For the sheriffs and deputies member group, contribution amounts are split 50/50 between employers and members.</p> <p><b>Protection Occupation</b> - The contribution rate for the protection occupations membership for July 1, 2013, through June 30, 2014, is 6.76% for the members and 10.14% for the employers. This is a decrease compared to the previous year when the total rate was 17.11% with a members' rate of 6.84% and an employer's rate of 10.27%. This is a savings (decrease) of approximately \$700,000 in total. For the protection occupation group, contribution amounts are split 60/40 between employers and members.</p> <p><b>Favorable Experience Dividend (FED)</b> - The FED Reserve Account had a balance of \$218.8 million as of June 30, 2012. The average amount distributed in FY 2012 was \$1,198. The median amount was \$785. The maximum amount was \$10,289. The January 2013 payment was \$113.3 million and was distributed to 87,931 retirees. The estimated remaining balance in the FED Reserve Account is \$118.0 million. The FED payment is estimated to end after the January 2014 payment due to insufficient funds for the January 2015 payment. Any money remaining will be deposited in the IPERS Trust Fund. As of June 30, 2012, the IPERS Trust Fund had a balance of approximately \$23.2 billion and the funded ratio of the IPERS Retirement System was 79.9%.</p> |
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STAFF CONTACT: Jennifer Acton (Ext. 17846)

**Labor Services Division**

**ARC 0647C**

**Rule Summary** Adds "Institution of Health and Custodial Care" under the definitions in the Administration of the Boiler and Pressure Vessel Program.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Kent Ohms (515-725-2200)

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**Nursing Board**

**ARC 0673C**

**Rule Summary** Adds an additional 60 days to obtain documents and complete the licensing process. The change supports the uniform rules required to be a member of the compact and conveys a benefit to the licensee.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

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**Pharmacy Board**

**ARC 0652C**

**Rule Summary** Authorizes a pharmacy other than a facility's primary provider pharmacy to provide services to the facility. The intent is to increase the ability to meet the needs of the facility's patients for an emergency first dose drug supply containing those drugs and products not stocked or available from the primary provider pharmacy. In addition, it allows for labeling within 24 hours of initial administration with a patient-specific label, a multi-dose container of a drug removed from the emergency drug supply for administration to the patient or dispensing and delivery by the provider pharmacy of an appropriately labeled new drug order. Record requirements for controlled substances destroyed in a long-term care facility and for previously dispensed controlled substances destroyed by a pharmacy are amended to require recording of the dispensing pharmacy or other source of the controlled substance and the prescription number or other unique identification assigned to the prescription.

**Fiscal Impact** No fiscal impact.

**ARC 0643C**

**Rule Summary** Allows for changes, additional proposed amendments, and the opportunity for further review and comments on the proposed amendments.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

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**Real Estate Appraiser Examining Board**

**ARC 0635C**

**Rule Summary** Allows all continuing education to be taken via distance education (online) rather than the current 14 of 28 credit hours. Redefines class attendance to be 50 minutes per hour instead of the current 90.0% of the scheduled class time in order to gain educational credit. Notice of intended action was published on December 26, 2012, as ARC 0534C.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

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### Real Estate Commission

**ARC 0628C**

**Rule Summary** Expands real estate continuing education topics to include the “use of technology in real estate.”

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

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### Board of Regents

**ARC 0630C**

**Rule Summary** Combines and renames a variety of fees to provide consistency across the three Regents universities. Increases application fees for Iowa State University for graduate/professional domestic students from \$40 to \$60 and for graduate/professional international students from \$90 to \$100. Adds a \$20 re-entry fee for University of Northern Iowa.

**Fiscal Impact** No fiscal impact to the State.

STAFF CONTACT: Robin Madison (Ext. 15270)

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