

Administrative Rules – Fiscal Impact Summaries

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ARC 8989B

Rule Summary Changes the temporary designation of controlled substances. Places four synthetic cannabinoids in Schedule I of the Iowa Uniform Controlled Substances Act (CSA). Substances classified in Schedule I of the CSA are those that have been determined to have a high potential for abuse and have no accepted medical use in the United States.

Fiscal Impact No fiscal impact. The Board of Pharmacy retains fees charged to licensees to fund the Board's operations and activities.

ARC 9000B

Rule Summary Identifies four synthetic cannabinoids as imitation controlled substances. These substances are not classified as controlled substances subject to the Iowa Controlled Substances Act. Violations relating to the Imitation Controlled Substances Act result in a simple misdemeanor charge instead of a felony charge. The Iowa Board of Pharmacy has the authority to place substances on the imitation controlled substances list.

Fiscal Impact No fiscal impact. The Board of Pharmacy retains fees charged to licensees to fund the Board's operations and activities.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Department of Education

ARC 9013B

Rule Summary Modifies student transportation rules to conform with statutory requirements.

Fiscal Impact No fiscal impact.

ARC 9014B

Rule Summary Modifies charter school rules and adds rules pertaining to Innovation School Zones to conform with statutory provisions.

Fiscal Impact No fiscal impact.

ARC 9015B

Rule Summary Corrects a language error that inadvertently precluded all superintendents from the definition of beginning administrator for purposes of the Beginning Administrator Program.

Fiscal Impact No fiscal impact.

ARC 9016B

Rule Summary Prohibits special education and at-risk students from being denied participation in supplementary weighting programs that they may be eligible for.

Fiscal Impact No fiscal impact.

ARC 9017B

Rule Summary Conforms the financial management of categorical funding language to statutory requirements.

Fiscal Impact No fiscal impact. The rule pertaining to market factor pay incentives provides guidance to districts that have funds remaining for the defunct program. The FY 2009 ending fund balance data from the Department of Education’s Certified Annual Report show that 272 districts had a total of \$3.1 million in Market Factor Pay funds remaining.

STAFF CONTACT: Robin Madison (Ext. 15270) Shawn Snyder (Ext. 17799)

Environmental Protection Commission

ARC 8999B

Rule Summary Changes rules for regulation of greenhouse gases (GHG) to be consistent with federal regulations, known as the Prevention of Significant Deterioration (PSD) and Title V Greenhouse Gas Tailoring Rule (Tailoring Rule).

Fiscal Impact Using existing potential-to-emit (PTE) data, the Department of Natural Resources (DNR) estimates it will issue an additional 20 to 65 new Title V Air Quality permits and up to 10 new PSD permits from January 2011 through June 2013. These numbers may change as facilities may change existing permit limits or processes to reduce emissions. The need for facilities to obtain permitting limits for GHG emissions may result in the DNR issuing between 100 to 200 new minor source permits or amending current minor source permits.

The DNR estimates expenditures of \$300,000 and 4.00 FTE positions for the first year and \$525,000 and 7.00 FTE positions for the second year. The expenditures are for personnel and do not include additional overhead costs. Due to the uncertainty of the final number of facilities the DNR does not plan to hire additional staff at this time. Funds for regulation will be paid from Air Title V fees deposited in the Air Contaminant Source Fund

ARC 8998B

Rule Summary Updates rules to conform with:

- Statutory amendments in SF 2293 (FY 2002 Animal Agriculture Act).
- Open feedlot stockpiles in SF 2369 (FY 2006 Open Feedlot Operations Act).
- Dry manure stockpiling in HF 735 (FY 2009 Stockpiling Dry Manure Act).
- Application of manure on snow covered and frozen ground and dry bedded confinement feeding operations in SF 432 (FY 2009 Animal Feeding Operations Act).
- Includes revisions to reflect current procedures.

Fiscal Impact Minimal fiscal impact to the Department of Natural Resources (DNR). The fiscal impact to affected animal feeding operations is unknown.

ARC 9011B

- Rule Summary** Changes rules for operators and owners of underground storage tanks (USTs):
- Revises the risk-based evaluation process for plastic water lines, adds gasketed drinking water lines, and different target levels based on material composition and usage.
 - Allows consideration of “no action required” status if the contaminant plumes at low-risk leaking underground storage tank (LUST) sites that are demonstrated to be stable when an institutional control is implemented.
 - Gives the DNR discretion to require confirmation sampling prior to acceptance of a “no action required” classification or to waive “exit monitoring” criteria when a groundwater professional can justify a “no action required” classification for the site. Existing policy regarding confirmation soil sampling has been added to update rule with the current practice.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Natural Resource Commission

Special Review - ARC 8815B

Rule Summary Adds special events hosting provisions for boating, all-terrain vehicles, and snowmobiles. Defines what qualifies as a special event. Details permit processing and insurance requirements.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Public Health

ARC 8981B

Rule Summary Adds periodic review of training courses and third-year certification programs at five-year intervals for persons that test or repair backflow prevention assemblies. Adds additional criteria for denial of registration or discipline of a registered tester, including criminal history and discipline in another jurisdiction. Adds additional criteria for denying or revoking approval for a training course, and increases registration fees and fees for trainers.

Fiscal Impact No fiscal impact. The Department of Public Health (DPH) retains fees to administer the requirements for backflow prevention assembly testers. The registration fee is increased from \$60 to \$72 for a biennial registration. The training course review fee is increased from \$100 to \$120. A notification fee for courses to be held is increased from \$25 to \$50. The DPH estimates that the total increase in fee revenue will be approximately \$50,000 over the next two to three years contingent on when applicants apply or renew. The increased training course review fee will generate an estimated \$1,300 annually.

ARC 8982B

Rule Summary Makes technical changes to reflect current federal regulations for the use of radioactive materials and radiation machines. Adds electronic brachytherapy units to the list of the types of x-ray machines that must be registered with the DPH. Provides a fee schedule associated with the possession and use of radioactive materials in Iowa.

Fiscal Impact No fiscal impact. The DPH retains fees charged to licensees to administer the requirements of radiation machines and radioactive materials. The addition of the electronic brachytherapy machines to the annual fee schedules will generate an estimated \$100 additional revenue for the Program.

ARC 8980B

Rule Summary Relates to dental screening requirements in Iowa for school-aged children. Permits the use of out-of-state providers. Changes the timeframe for a screening to be valid. Allows authorized providers to record screening information. Changes the audit deadline date and changes the definition of applicants and treatment needs. Changes made to Noticed Rule 8763B due to public comment include permissible exceptions to the four-month timeline for valid screenings and allowance of qualified health care providers to record information from another form instead of the Department of Public Health's Certificate of Dental Screening Form.

Fiscal Impact No fiscal impact.

ARC 8983B

Rule Summary Permits the DPH to be a local repository for the Prescription Drug Donation Repository Program in disaster and emergency situations.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Department of Public Safety

ARC 9032B

Rule Summary Establishes a licensing program for fire protection system installers and maintenance workers.

Fiscal Impact The fiscal impact cannot be determined as the number of prospective licensees cannot accurately be determined. The license fee included in the proposed rules of \$250 for a two-year license has been reduced to \$200 for a two-year license. Clarifying language was added requiring licenses issued between October 1, 2010, and December 31, 2010, to expire on December 31, 2011, at no additional cost to the licensee.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

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Department of Human Services

ARC 8994B

Rule Summary Revises the Medicaid Program service requirements to allow a contracted broker to provide management and oversight of the provision of nonemergency medical transportation.

Fiscal Impact The fiscal impact cannot be determined. The Department of Human Services (DHS) has issued a contract for the statewide transportation broker. The DHS will be able to use a higher regular federal match rate instead of the 50.0% administrative rate and this is expected to save money and help offset any cost increase.

ARC 9019B

Rule Summary Implements a new Promoting Healthy Marriage Program.

Fiscal Impact This change is estimated to cost \$50,000 in FY 2011 and \$108,000 in FY 2012 for administration. Temporary Assistance for Needy Families (TANF) funding is available for this Program. The DHS is implementing this Program as a means of expanding categorical eligibility for Food Assistance to 160.0% of the Federal Poverty Level (FPL) as directed in House File 2526 (FY 2011 Health and Human Services Appropriations Act), Section 7.4(d)(2).

ARC 8991B and 8990B

Rule Summary Makes the following changes to the Interim Assistance Reimbursement and State Supplemental Security Income (SSI):

- Adds county commissions of veteran affairs to the definition of “county agency.”
- Removes requirements that are more appropriately reserved for inclusion in the agreement between county agencies and the DHS.
- Removes a provision for automatic renewal of the agreement between the DHS and the county agency.
- Requires county agencies to submit Form 470-1947, Certificate of Authority, directly to the Social Security Administration, with a copy to the DHS.

Fiscal Impact Minimal fiscal impact.

ARC 8992B

Rule Summary Changes the methodology for determining the annual changes to the standard utility allowance amounts that are given as income deductions in the Food Assistance Program.

Fiscal Impact No fiscal impact.

ARC 9020B

Rule Summary Implements an option in the federal Supplemental Nutrition Assistance Program to expand categorical eligibility beyond households where all members receive Family Investment Program (FIP) or Supplemental Security Income (SSI) benefits.

Fiscal Impact This change is estimated to cost \$227,000 in FY 2011 and \$941,000 in FY 2012. These changes will be funded by additional federal funds received as part of the federal American Recovery and Reinvestment Act of 2009.

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ARC 8993B

Rule Summary Makes the following changes to Medicaid for the amount, duration and scope of Medical and Remedial Services:

- Clarifies criteria for coverage of oxygen in nursing facilities.
- Establishes criteria for coverage of oxygen for infants and small children.
- Deletes outdated documentation requirements for oxygen claims.
- Clarifies that nutritional products consumed orally are not separately payable for members in nursing facilities or intermediate care facilities for the mentally retarded (ICF/MRs).

Fiscal Impact No fiscal impact.

ARC 8995B

Rule Summary Reinstates the Medicaid rate reductions for nursing facilities that were instituted in December 2009 pursuant to Executive Order 19 (10.0% across-the-board reduction) as follows:

- Changes the minimum occupancy rate that is used in calculating facility per diem cost, pay-for-performance reimbursement, and the capital cost per diem instant relief add-on and enhanced non-direct care rate component limit is reinstated to 85.0% effective December 1, 2009.
- Modifies the payment for periods when a resident is absent from the facility, eliminating payments for reserve bed days due to visit or hospitalization. The exception is special population facilities, that will be paid at 42.0% of their per diem for the allowable number of days of absence, regardless of the facility's occupancy rate.
- Suspends the pay-for-performance program for FY 2010 and continues the suspension unless funding is appropriated.

Fiscal Impact This change is estimated to cost \$45,000 in FY 2010 and \$577,000 in FY 2011. Funding has been provided for these changes from the Quality Assurance Trust Fund.

ARC 9026B

Rule Summary Adjusts services provided by the Child Support Recovery Unit for collection of court-ordered support through State and federal offsets.

Fiscal Impact Minimal fiscal impact.

ARC 9027B

Rule Summary Implements new procedures to provide additional safety to at-risk adults.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Jess Benson (Ext. 14611) Deborah Helsen (Ext. 16764)

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Department of Agriculture and Land Stewardship

ARC 9012B

Rule Summary Updates references in the Meat and Poultry Inspection Program to match federal regulations.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Accountancy Examining Board

ARC 9002B

Rule Summary Clarifies the various issues relating to Continuing Professional Education (CPE) including required CPE, types of CPE, reporting of CPE, and CPE limitations.

Fiscal Impact No fiscal impact.

ARC 8988B

Rule Summary Makes a reinstatement penalty of \$25 per month of lapse effective only for those that engage in acts or practices that require an active Certified Public Accountant (CPA) certificate.

Fiscal Impact No fiscal impact.

ARC 9003B

Rule Summary Makes technical changes to the Rules of Professional Conduct to ensure clarity and intent.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Department of Administrative Services

ARC 8979B

Rule Summary Eliminates the years of service incentive program rule, as this program no longer exists. Allows family members of service members in the regular component of the Armed Forces to be eligible for exigency leave. Previously, exigency leave was only available for family members of members of the National Guard or reserves. The proposed changes also limit exigency leave to family members of covered service members deployed or deploying to a foreign country.

Fiscal Impact Fiscal impact cannot be determined. It is unknown how many employees will be eligible for this benefit.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Department of Agriculture and Land Stewardship

ARC 8985B

Rule Summary Changes pre-entry import permits for cattle or bison originating from a state with a modified accredited advanced tuberculosis (TB) zone. Clarifies that whole-herd TB testing within the past year would not be required for cattle and bison less than six months of age that originate from a modified accredited advanced TB zone. The federal Department of Agriculture has split the state of Minnesota in two zones for TB status purposes and the proposed amendments would allow cattle and bison in the southern Minnesota zone to have the same pre-entry permit and TB testing requirements as states with TB free status.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

State Archaeologist

ARC 9025B

Rule Summary Reflects more accurately the operations of the Office of the State Archeologist, complies with federal and State laws, and corrects outdated information. Includes provisions for waivers of rules and contested cases, updates to definitions, clarifications of fiscal responsibilities allowing for consideration of available funding in determining responsibilities, updates to Iowa Site File submission, and access procedures to reflect digital and Internet technology. Adds language on public records and fair information practices.

Fiscal Impact No significant fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Capital Investment Board – Department of Revenue

ARC 9030B

Rule Summary Repeals the tax credit for investments in venture capital funds. Reduces the amount of contingent tax credits related to investments in the Iowa Fund of Funds to \$60.0 million. The rule changes implement two provisions of SF 2380 (Omnibus Tax Credit Act of 2010).

Fiscal Impact Elimination of the tax credit is not projected to have a fiscal impact.

Lowering the program cap is not projected to have a fiscal impact in the foreseeable future, but does reduce the potential negative fiscal impact of the program by \$40.0 million.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

Engineering and Land Surveying Examining Board

ARC 9021B

Rule Summary Clarifies requirements of experience references for engineering licensure examination applicants.

Fiscal Impact No fiscal impact.

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ARC 9022B
Rule Summary Clarifies quality requirements of references for examination applicants.

Fiscal Impact No fiscal impact.

ARC 9024B
Rule Summary Changes the Structural Examination from two 8-hour exams to a single 16-hour exam.

Fiscal Impact No fiscal impact.

ARC 9023B
Rule Summary Specifies correct reference forms for comity (reciprocity) applicant references.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Ethics and Campaign Disclosure Board

ARC 9031B
Rule Summary Clarifies that almost all campaign disclosure forms will be required to be filed electronically via the Board's website by January 1, 2012.

Fiscal Impact No fiscal impact.

ARC 9035B
Rule Summary Implements the process for a State official or State employee that is simultaneously receiving compensation from two or more State agencies to disclose the compensation.

Fiscal Impact No fiscal impact.

ARC 9036B
Rule Summary Implements a reporting process for State officials and State employees that sell, as part of a private sector job, goods and services to a State agency in excess of \$2,000.

Fiscal Impact No fiscal impact.

ARC 9037B
Rule Summary Implements a process for imposing penalties for persons that provide false information to the Board during the course of a Board investigation.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

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Insurance Division – Department of Commerce

ARC 9006B
Rule Summary Eliminates outdated language and updates and clarifies the duties and procedures relating to coordination of insurance benefits.

Fiscal Impact No fiscal impact.

ARC 9010B
Rule Summary Strikes references to National Association of Security Dealers (NASD) and replaces it with Financial Industry Regulatory Authority (FINRA). Updates certain fees and clarifies the duties and procedures authorized in SF 2201 (Insurance Division Omnibus Act).

Fiscal Impact No fiscal impact.

ARC 9038B
Rule Summary Adds advanced registered nurse practitioners and physician assistants to the provisions addressing retrospective payment of clean claims for covered services during the credentialing period as specified in SF 2201 (Insurance Division Omnibus Act).

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Iowa Finance Authority

ARC 9028B
Rule Summary Establishes a new loan category within the Multifamily Loan Program to be made to Iowa cities and counties to loan to developers within their jurisdictions for the creation or rehabilitation of workforce and affordable housing.

Fiscal Impact No fiscal impact.

ARC 9029B
Rule Summary Waives repayment of the Jumpstart Program loans attributable to Energy Efficiency Assistance loans if the property is later acquired under the Hazard Mitigation Grant Program.

Fiscal Impact Minimal fiscal impact. The Jumpstart Program loans are already forgivable over a five-year period. Approximately \$5.0 million has been loaned under the Energy Efficiency Assistance Program.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Labor Services Division – Department of Workforce Development

ARC 8997B
Rule Summary Adopts changes to federal occupational safety and health standards related to notice requirements for employees that may be exposed to hexavalent chromium.

Fiscal Impact No fiscal impact.

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ARC 8996B

Rule Summary Allows the Labor Commissioner to combine two inspections and makes numerous changes concerning construction personnel hoists (CPH).

Fiscal Impact Minimal fiscal impact. The changes relating to construction personnel hoists will have minimal fiscal impact because of the very small number of construction personnel hoists in operation during a typical year. State inspectors are already combining inspections and waiving the lower fee when appropriate; so there should be no fiscal impact from this change.

ARC 8984B

Rule Summary Rescinds existing rules and adopts a new rule governing out-of-state contractor bonds to implement HF 2522 (FY 2011 Economic Development Appropriations Act). Adds the requirement that an out-of-state contractor file a surety bond with the Division of Labor Services, in the amount of \$25,000 for a one-year period or provide a statement as specified in Code Section 314.1 that the contractor has prequalified to bid on specified contracts. Since originally Noticed, requires an out-of-state contractor to submit a copy of a letter from the Iowa Department of Transportation indicating that the contractor is prequalified to bid pursuant to Iowa Code Section 314.1 to be exempt from the bond requirement.

Fiscal Impact The fiscal impact of the changes cannot be determined. State agencies will be able to collect an unknown amount of debt owed by out-of-state contractors through the bonds. The Unemployment Insurance Trust Fund and the General Fund should benefit from the greater number of bonds on file. The Division of Labor Services expects the additional bonds will create an unknown amount of additional work for clerical staff. The Contractor Registration Program is funded through the Contractor Registration Revolving Fund.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Natural Resource Commission

ARC 9004B

Rule Summary Clarifies rules regarding additional information required by the Department of Natural Resources (DNR) to determine the residency status of hunting license applicants and license holders. Provides a process for suspension and revocation of licenses that are not properly obtained.

Fiscal Impact Minimal fiscal impact.

ARC 9005B

Rule Summary Provides a mechanism for the DNR to suspend, revoke, or deny issuance or renewal of licenses of persons that owe the State money through the Iowa College Student Aid Commission.

Fiscal Impact No fiscal impact.

ARC 9008B

Rule Summary Makes changes to reflect changes in federal Migratory Bird law.

Fiscal Impact No fiscal impact.

ARC 9007B

Rule Summary Changes wording to be consistent with the federal Migratory Bird Law.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Racing and Gaming Commission

ARC 9018B

Rule Summary Make numerous changes to various issues pursuant to gambling in the State including:

- Requires a standard operating procedure addressing surveillance maintenance, emergency plans, and capabilities.
- Removes implements of gambling as something where written notice is required.
- Allows for bonus systems that are connected or integrated with slot machines.
- Allows for keno payout to be 70.0%.
- Makes unclaimed ticket adjustments consistent with slot machine tickets.
- Prohibits gaming floor designation when no other gambling games are present.
- Allows for slot machines that incorporate an ability-based bonus as a small percentage of the overall slot machine payout.
- Clarifies technical issues related to the access, payout, and bonuses of slot machines.
- Clarifies the revenue exceptions to be reported to the Commission representative.
- Requires control for access, removal, and procedures of implements of gambling such as cards and dice.
- Requires surveillance departments to be operated in an autonomous fashion.
- Allows for an emergency drop during defined circumstances and allows for alternative wear when conducting a drop.
- Allows for the removal of containers for repair or destruction and allows for empty containers to be stored in a secure cart after the count.
- Clarifies when the table game information is to be reconciled in the accounting department.

Fiscal Impact No fiscal impact. There is no cost to the State for regulation.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Board of Regents

ARC 9034B

Rule Summary Increases selected application fees assessed to individuals applying for admission to the Board of Regent institutions. Institutes a new application fee for non-degree students at the University of Iowa and University of Northern Iowa.

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Fiscal Impact The additional revenue will cover the existing processing costs. The proposed fees and increases are:

	Current Fee	Proposed Fee	Est. New Revenues
University of Iowa			
Undergraduate International Student	\$60	\$85	\$90,000
Graduate/Professional International	85	100	90,000
Non-Degree Student (New)	0	40	90,000
Total Increase			<u>\$270,000</u>
Iowa State University			
Undergraduate Domestic Student	\$30	\$40	\$148,690
Graduate Domestic Student	30	40	22,070
Graduate International Student	70	90	87,380
Total Increase			<u>\$258,140</u>
University of Northern Iowa			
Non-Degree Student (New)	0	\$40	\$2,000

ARC 9033B

Rule Summary Increases the application fee for the College of Veterinary Medicine at Iowa State University (ISU) from \$60 to \$75. Increases application fees at the University of Northern Iowa (UNI) from \$30 to \$50 for graduate domestic students and from \$50 to \$70 for graduate international students.

Fiscal Impact The fee increases are to cover processing costs. The \$15 increase for the ISU College of Veterinary Medicine will generate approximately \$11,250 annually. The \$20 graduate school application fee increase for the UNI will generate approximately \$15,000 from domestic graduate students and \$5,000 from international graduate students annually.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)