



Fiscal Services Division

ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

October 12, 2010

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

Department of Public Health

ARC 9092B

Rule Summary Expands the number of credentialing bodies whose certification is accepted by the Department of Public Health (DPH) for outpatient diabetes self-management education programs. Clarifies required curriculum, adds several definitions, and updates bureau and division references and contact information.

Fiscal Impact No fiscal impact.

ARC 9057B

Rule Summary Plumbing and Mechanical Systems Board: Requires a licensee to follow certain requirements to file a contested case. Clarifies proceedings that the Plumbing and Mechanical Systems Board will conduct as it applies to a contested case. Provides information concerning decisions, appeals and recovery of hearing fees and expenses.

Fiscal Impact No fiscal impact. The Plumbing and Mechanical Systems Board retains fees paid by licensees to fund the operations and activities of the Board.

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ARC 9096B

Rule Summary Implements SF 2384 (Nurses Workforce Initiative Act). Provides for the guidelines and process for awarding grants for infrastructure to improve the education of nurses and nurse educators in Iowa and to enhance the clinical experience for nurses.

Fiscal Impact No fiscal impact. Senate File 2384 does not specify a funding source and the rule specifies that implementation will only occur when funding becomes available. It is estimated that the fiscal impact would be \$324,000 if the program had been implemented on July 1, 2010 (FY 2011).

ARC 9093B

Rule Summary Establishes the Public Health Advisory Council and the Public Health Evaluation Committee. The Council will advise the DPH on the coordination and implementation of the voluntary accreditation of designated local public health agencies and the national accreditation of the DPH. The Committee will provide evaluation of the accreditation program and the governmental public health system. Provides for guidance regarding roles and responsibilities of the new entities as well as guidance on meeting procedures. Implements provisions of HF 811 (FY 2010 Health and Human Services Appropriations Act).

Fiscal Impact Minimal fiscal impact between \$3,000 and \$5,000 annually to reimburse Council and Committee members for travel expenses from general operations of the DPH revenues.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Department of Revenue

ARC 9103B

Rule Summary Implements provisions from HF 2531 (FY 2011 Standings Appropriations Act) and HF 2532 (Veterans Trust Fund Income Exemption Act). Specifies penalties for improper receipt of a refund or credit. Changes the taxation of spouses of military personnel in accordance with the Military Spouses Residency Relief Act. Corrects an example regarding the reporting of income for Iowa individual income tax from intangible personal property for nonresidents of Iowa. Prohibits an increase in the expensing allowance under Section 179 of the Internal Revenue Code for Iowa individual income tax purposes for the tax year beginning January 1, 2009, but before January 1, 2010. Excludes certain income received from the Iowa Veterans Trust Fund from Iowa individual income tax. Provides for the waiver of penalty and interest related to additional tax related to amended returns for Iowa individual income tax for certain casualty losses for the 2008 tax year. Removes obsolete provisions regarding consolidated Iowa corporation income tax returns that relate to tax periods beginning prior to July 1, 1992.

Fiscal Impact The change reflected in House File 2531 related to waiver of penalty and interest for amended Iowa returns for certain casualty losses will decrease revenues by \$100,000 for FY 2010 and \$110,000 for FY 2011. The other changes have a minimal fiscal impact.

ARC 9104B

- Rule Summary** Implements sections of SF 2380 (Tax Credit Reductions and Review Act). Revises individual income tax rules, corporation income tax rules, and franchise tax rules involving tax credits as follows:
- Requires taxpayers to retain certain records related to tax credits.
 - Repeals the refund of unused investment tax credit for businesses approved by the Department of Economic Development.
 - Reduces the Historic Preservation and Cultural and Entertainment District Tax Credit.
 - Repeals the Investment Tax Credit for Equity Investments in a Venture Capital Fund.
 - Reduces the Endow Iowa Tax Credit.
 - Repeals the Economic Development Region Revolving Fund Tax Credit.
 - Changes the Aggregate Tax Credit Limit for certain economic development programs.
 - Changes the calculation of the supplemental research activities credit for businesses approved by the Department of Economic Development.
 - Updates the sequence of tax credits for corporation income tax.
 - Corrects a grammatical error regarding the Disaster Recovery Housing Project Tax Credit for corporation income tax.

Fiscal Impact The change related to repeal of the Refundable Investment Tax Credit for value-added agricultural projects and changes to the Endow Iowa Tax Credit will reduce tax credit redemptions by \$4.1 million for FY 2011 and \$4.2 million for FY 2012, as reflected in the Fiscal Note filed March 18, 2010. This change was included in the estimated State revenues for FY 2011.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Department of Economic Development**ARC 9060B**

Rule Summary Removes rules relating to the HOME Housing Fund. In January of 2010, the Governor transferred the HOME Housing Fund to the Iowa Finance Authority by executive order. The Iowa Finance Authority has adopted rules to administer the Program. (HOME is part of the HOME Investment Partnership Program authorized by the federal Cranston-Gonzales National Affordable Housing act of 1990.)

Fiscal Impact No fiscal impact.

ARC 9064B

Rule Summary Specifies that the definition of a trade mission includes an event led by the Iowa Department of Economic Development (DED), including a designated representative, and eliminates the U.S. Department of Commerce, and the U.S. Department of Agriculture, from leading a trade mission unless designated by the DED. Eliminates the proof of payment for participation in a trade show for the Export Trade Assistance Program (ETAP) if the applicant has an executed payment agreement for a trade show. Adds a fifth eligibility element by requiring the applicant to be in compliance with past ETAP contractual agreements.

Fiscal Impact No fiscal impact.

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- ARC 9066B and 9067B**
- Rule Summary** Implements the new Business Loan Program to provide disaster relief assistance to businesses physically damaged by the 2010 natural disasters that are in presidentially declared disaster areas eligible for individual assistance. Eligible businesses will be able to apply for forgivable loans in amounts from \$5,000 to \$50,000, based on loan approval for disaster-related loans from eligible lenders and other conditions.
- Fiscal Impact** The DED received an allocation of \$7,500,000 from a cash flow transfer for FY 2011, including administrative costs, for the Program. The transfer was part of a \$20.0 million transfer that included 75.0% from the Department of Human Services Cash Reserve Fund Medicaid Appropriation and 25.0% from the DED Grow Iowa Values Appropriation.
- ARC 9062B**
- Rule Summary** Implements a new Small Business Loan Program to promote the creation and retention of jobs in Iowa and to assist businesses in becoming more competitive. Establishes the process for application, receipt, and management of loan funds under this Program. The Fund will provide low-interest loans to businesses. Small businesses (35 employees or less) that are located in Iowa and owned, operated, or actively managed by a resident of Iowa could be eligible for a loan between \$2,500 and \$50,000 under specified conditions.
- Fiscal Impact** Senate File 2389 (Infrastructure Appropriations Act) appropriated \$5,000,000 in FY 2011 to the new Save Our Small Businesses Fund from the School Infrastructure Fund for the Program.
- ARC 9063B**
- Rule Summary** Expands the definition of “Iowa student” to allow Iowa high school graduates attending college outside the State to participate in the Targeted Industries Internship Program.
- Fiscal Impact** No fiscal impact.
- ARC 9061B**
- Rule Summary** Implements the Iowa Innovation Council. Describes the purpose of the Council, voting member selection and approval procedures, Council operations, Council deliverables, and the DED administration provisions.
- Fiscal Impact** No fiscal impact. The Council replaces existing councils.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Iowa Finance Authority

ARC 9078B and 9077B

Rule Summary Creates the Iowans Helping Iowans Program to assist homeowners affected by the disasters of 2010 by providing forgivable loans for residents to use as down payment assistance or home repair or rehabilitation.

Fiscal Impact The Iowa Finance Authority received an allocation of \$7,500,000 from a cash flow transfer for FY 2011, including administrative costs, for the Program. The transfer was part of a \$20.0 million transfer that included 75.0% from the Department of Human Services Cash Reserve Fund Medicaid Appropriation and 25.0% from the DED Grow Iowa Values Appropriation.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Environmental Protection Commission

ARC 9056B

Rule Summary Permits the use of the new General Permit Number 7 to authorize discharge of biological pesticides and chemical pesticide residues to waters of the United States. Applications allowed include pesticide applications for control of aquatic nuisance insects, weeds, algae, and bacteria or fish parasites, aquatic nuisance animals, and forest canopy pests. Irrigation return flows and agricultural runoff are not covered under the draft pesticides general permit as they are specifically exempted from the Clean Water Act.

Fiscal Impact The Department of Natural Resources (DNR) estimates that the fees will increase revenue by less than \$9,000. The money will be deposited in the National Pollutant Discharge Elimination System (NPDES) Fund. The fiscal impact to affected industries cannot be determined.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Natural Resource Commission

ARC 9051B

Rule Summary Increases the price for larger nursery stock by ten cents per seedling or \$10.00 per hundred plants.

Fiscal Impact The Department of Natural Resources (DNR) estimates annual sales of 1.2 million seedlings. This is expected to generate an additional \$120,000 for deposit in the Land and Conservation Fund that is used for operations.

ARC 9052B

Rule Summary Changes fishing rules to include:

- Removes the December 1 through March 15 fishing season for all fish below Mississippi River Lock & Dam 11, 12, and 13.
- Limits anglers to a maximum 5/0 treble hook size when snagging nongame species.
- Adds a no-snagging restriction from directly below the Oakland Mill's dam to the downstream end of the 253rd Street boat ramp.

Fiscal Impact Minimal fiscal impact.

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ARC 9053B
Rule Summary Defines “Fishing Tournament” as any organized fishing event, except for fishing events held for educational purposes and sponsored by the Department of Natural Resources, involving any of the following:

- Six or more boats or 12 or more participants, except for waters of the Mississippi River, where the number of boats would be 20 or more or the number of participants allowed is 40 or more.
- An entry fee is charged.
- Prizes or other inducements are awarded.

Fiscal Impact Minimal fiscal impact.

ARC 9055B
Rule Summary Defines regulations for hunting waterfowl and coot and includes season dates, bag limits, possession limits, shooting hours, and areas open to hunting. Adjusts the season dates to comply with federal regulations and to ensure the seasons open on weekends.

Fiscal Impact No fiscal impact.

ARC 9054B
Rule Summary Defines priority watershed and directs compensation collected for natural resource damages from the vicinity of the loss to the priority watershed selected by the DNR.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Human Services

ARC 9043B
Rule Summary Removes requirements for the Department of Human Services (DHS) to return to applicant or participant households originals of all documents submitted to the Department as verification during Medicaid or Family Investment Program (FIP) eligibility determination.

Fiscal Impact No fiscal impact.

ARC 9044B
Rule Summary Clarifies the difference between a Medicaid disability review, that may be required periodically depending on the nature of a member’s disabling condition, and a Medicaid disability redetermination, that is required when a member reaches the age of 18 to apply adult disability criteria.

Fiscal Impact No fiscal impact.

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	ARC 9045B
Rule Summary	Sets conditions for the use of Medicaid funds under the Home and Community-Based Waivers' "Consumer Choices Option." The cost of certain services are included in an individual budget that the member manages with the help of a support broker.
Fiscal Impact	Minimal fiscal impact.
	ARC 9046B
Rule Summary	Incorporates an additional payment in the reimbursement methodology for inpatient and outpatient hospital services and removes the corresponding language from the reimbursement methodology for nursing facilities.
Fiscal Impact	No fiscal impact. The University of Iowa Hospital and Clinics is required to either certify public expenditures or transfer an amount equal to the non-federal share. There is no impact to the State. The removal of the nursing facility payment restriction will not result in additional fiscal impact.
	ARC 9083B
Rule Summary	Provides for a one-month grace period for each monthly premium owed for a Healthy and Well Kids in Iowa (hawk-i) Program enrollee. This change is required by the federal Children's Health Insurance Program Reauthorization Act (CHIPRA) of 2009.
Fiscal Impact	This change is estimated to cost the State \$76,500 in FY 2011 and \$37,300 in FY 2012. The FY 2011 appropriation for the hawk-i Program is adequate to cover this increase in expenditure.
	ARC 9084B
Rule Summary	Extends the period that a new enrollee can request to switch from the hawk-i Program health or dental plan to another. Permits an enrollee to switch plans at any time for cause, as defined by federal regulations.
Fiscal Impact	No fiscal impact.
	ARC 9086B
Rule Summary	Reorganizes, updates, and clarifies existing rules on admission procedures, communication with individuals, employment of individuals, alleged child abuse in the facility, approval of temporary home visits, tours of the facility, and public use of buildings and ground at the State Juvenile Home at Toledo and the State Training School at Eldora. Specific changes include: <ul style="list-style-type: none">• Adds more definitions of terms.• Expands the list of persons denied visiting rights.• Requires supervision of an adult family member during a visit by a family member under the age of 18 (previously age 12).• Implements SF 340 (Adam Walsh Compliance Act) relating to sex offenders.• Provides for guidelines for:<ul style="list-style-type: none">○ Population and criteria for accepting individuals.○ Photographing and recording of individuals.○ Recovery of the cost of care from individuals with unearned income.○ Procedures for donations to the facility.

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- Rescinds rules relating to program assignment and charges for the use of facility buildings and grounds.
- Rescinds rules relating to:
 - Detention.
 - Standards required for comprehensive residential facilities for children.
 - The Advisory Committee,
 - Risk assessment for sexual offenders.
 - Public notification on sexual offenders.

Fiscal Impact No fiscal impact. The revised rules reflect the new DHS administrative structure.

Rule Summary Rescinds Family Development and Self-Sufficiency Program (FaDSS) rules. The Program has been transferred to the Division of Community Action Agencies of the Department of Human Rights. **ARC 9047B**

Fiscal Impact No fiscal impact.

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

Department of Public Safety

Rule Summary Establishes a permit system for persons to carry weapons. Designates the collector's items of firearms classified as offensive weapons. Provides for professional permits for State employees to carry weapons when the job duty requires the need to be armed. Provides for professional permits for nonresidents when necessary for purpose of employment. Publishes the forms for the issuance of Iowa carry permits and permits to acquire handguns. **ARC 9085B**

Fiscal Impact No fiscal impact.

Rule Summary Updates provisions related to transportation, storage, handling, and use of propane to reflect current national standards. **ARC 9098B**

Fiscal Impact No fiscal impact.

Rule Summary Adds new categories of licensing of residential electrical contractor, residential master electrician, and residential electrician. Establishes requirements for retaking licensing exams. **ARC 9099B**

Fiscal Impact The number of electricians that apply for each of these new license categories cannot be determined. The Residential Electrician Contractor and the Residential Master Electricians each pay \$375 for a three-year license and the Residential Electrician pays \$75 for a three-year license. The revenue is utilized by the Department of Public Safety for expenditures relating to the licensing of electricians.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

City Development Board

ARC 9106B

Rule Summary Clarifies the treatment process of public land and railway right-of-way in annexation requests. Creates procedures for boundary adjustments between cities by petition and consent.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Department of Corrections

ARC 9097B

Rule Summary Permits offenders and family to communicate by electronic means (O-Mail). Amends rules relating to Community-Based Corrections (CBC) District Departments to make these rules consistent with policies and procedures governing medical care of offenders on work release, parole, or Operating While Intoxicated (OWI) offenses. Makes nonsubstantive technical updates related to offender time loss appeals to conform to the Iowa Code, certain notifications to the Board of Parole, and fees for OWI offenders.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Department of Cultural Affairs

ARC 9081B

Rule Summary Eliminates the eligibility requirement for an Iowa Cultural Trust Grant that an Iowa organization operating as an arts, cultural, or historical department or division of a municipal or county government, must also be federally tax exempt under Section 501(c)(3) of the Federal Tax Code and incorporated in Iowa under the Nonprofit Corporation Act. This change will allow Grant eligibility for numerous Iowa city and county museums and historical organizations.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Board of Educational Examiners

ARC 9072B

Rule Summary Permits applicants for the one-year teacher exchange license to submit a valid license from the state they are currently teaching in.

Fiscal Impact No fiscal impact.

ARC 9070B

Rule Summary Restores elementary counseling endorsement rules. These rules were rescinded in error.

Fiscal Impact No fiscal impact.

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ARC 9071B
Rule Summary Restores secondary counseling endorsement rules. These rules were rescinded in error.

Fiscal Impact No fiscal impact.

ARC 9073B
Rule Summary Adds course work in school law or special education law to the requirements for the Supervisor Special Education – Instructional endorsement.

Fiscal Impact No fiscal impact.

ARC 9075B
Rule Summary Changes requirements for the Director of Special Education endorsement so that teaching experience is no longer required and experience as a Professional Service Administrator is accepted.

Fiscal Impact No fiscal impact.

ARC 9074B
Rule Summary Adds course work in school law or special education law to the requirements for the Supervisor Special Education – Instructional endorsement and the Supervisor Special Education – Support endorsement.

Fiscal Impact No fiscal impact.

ARC 9076B
Rule Summary Changes requirements for the Director of Special Education endorsement so that teaching experience is no longer required and experience as a Professional Service Administrator is accepted.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

Ethics and Campaign Disclosure Board

ARC 9042B
Rule Summary Terminates the previously noticed rule relating to permitted and prohibited campaign activities. There were no recommended changes to the rules filed emergency during the public notice period.

Fiscal Impact No fiscal impact.

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ARC 9041B

Rule Summary Removes the requirement that State campaign committees submit a campaign bank statement each January. Rather, a bank statement will only be required to be filed on request by the Board or when a committee dissolves.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Insurance Division – Department of Commerce

ARC 9079B

Rule Summary Requires an annual audit of financial statements by certified public accountants. Requires communication of internal control related matters noted in an audit to the Insurance Division.

Fiscal Impact No fiscal impact.

ARC 9069B

Rule Summary Requires certain information within the statements of actuarial opinion to be submitted to the Insurance Division when there is significant concern to the appointed actuary.

Fiscal Impact No fiscal impact.

ARC 9059B

Rule Summary Removes restrictions on the mortality adjustment factors (X factors) in the deficiency reserve calculation required by the Valuation of Life Insurance Policies Model Regulation.

Fiscal Impact No fiscal impact.

ARC 9065B

Rule Summary Permits use of the 2001 American Academy of Actuaries Commissioners Standard Ordinary Task Force Mortality Table as a substitute on policies issued on or after January 1, 2004, and prior to January 1, 2007, with the consent of the Insurance Commissioner.

Fiscal Impact No fiscal impact.

ARC 9080B

Rule Summary Authorizes the establishment of domestic limited purpose subsidiary life insurance companies that are wholly owned by domestic insurers authorized to transact the business of insurance. Permits companies to issue securities and access financial markets and alternative sources of capital through securitizations and other transactions.

Fiscal Impact No fiscal impact.

ARC 9105B

Rule Summary Establishes the standards that the Insurance Commissioner may use for identifying insurers found to be in such condition as to render the continuance of their businesses hazardous to their policyholders, creditors, or the general public.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

Iowa Public Employees' Retirement System

ARC 9068B

Rule Summary Adds provisions for covered wage restorations for employees that bump into lower-paying jobs to avoid a lay-off. Extends the sunset provision for bona fide retirement for licensed health care professionals. Clarifies the presumption for disease contracted by a special service member while on duty. Clarifies that noncovered employment for National Guard members called to active state duty is not covered employment.

Eliminates duplicative cafeteria plans that are already covered under the Iowa Public Employment Retirement System (IPERS) covered wage statute for certain cafeteria plan payments referred to in the rescinded rule as bounties (cash paid to employees in lieu of any coverage or family coverage under an employer's health care plan). Eliminates refunds to retired reemployed members' contributions that have been superseded by more beneficial statutory changes. Streamlines the process for distribution of death benefits to multiple beneficiaries. Clarifies calculations of death benefits under the required minimum distribution requirements. Clarifies that certain service purchases may or may not increase the numerator and denominator of the marital portion as used to determine the service factor under a domestic relations order.

Fiscal Impact Extends the bona fide retirement exception for licensed health care professionals for two years: The IPERS actuary conducts an experience study every four years. A study was completed in the summer of 2010. The IPERS actuary will examine the shortened bona fide retirement period for licensed health care professionals.

Creates a bona fide retirement exception for members called to State active duty with the National Guard with a retroactive effective date of May 25, 2008: The fiscal impact for the bona fide retirement exception for members called to State Active Duty with the National Guard is anticipated to be minimal.

Extends the current wage purchase credit rules relative to furloughs for IPERS members for an additional year and allows the rules to apply to union bumping rights with a retroactive effective date of January 1, 2009: The cost of extending the current wage purchase credit for furloughs for an additional year and applying it to union bumping rights cannot be determined because IPERS does not know how widespread furloughs will be beyond State government. The IPERS does not anticipate major additional costs.

There is a related cost to furloughs because IPERS loses contributions from everyone that is taking a furlough and not retiring. Only those employees retiring will make up lost contributions and will receive a higher benefit because of it.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Labor Services Division – Department of Workforce Development

ARC 9090B

Rule Summary Adopts by reference changes to the Federal Occupational Safety and Health Administration standards pertaining to cranes and derricks in the construction industry.

Fiscal Impact No direct fiscal impact to the State. The U.S. Department of Labor estimates that across the nation new standards will prevent 21 fatalities and 157 injuries per year, and prevent property damage. The U.S. Department of Labor estimates that the cost for the regulated community will be \$154.1 million and the benefits will exceed \$209.3 million.

ARC 9082B

Rule Summary Makes editorial and technical changes pertaining to the Boiler and Pressure Vessel Board. Requires a petitioner to use the appropriate form to petition for Board action. Changes the language concerning public comment during Board meetings. Clarifies procedures for informal review of inspection reports. Requires all fluids to be removed from a boiler prior to inspection. Clarifies procedures for issuance of a subpoena during a contested case.

Fiscal Impact No fiscal impact.

ARC 9087B

Rule Summary Implements SF 2181 (Labor Omnibus Act) relating to the conversion of power boilers to low-pressure boilers. Adopts by reference four American Society of Mechanical Engineers' code cases. Adopts the most recent version of the National Board Inspection Code for all reinstallations, installations, alterations, and repairs, after December 22, 2010. Adds an exception to the requirement for control safety data reports related to a boiler with a fuel input rating greater than or equal to 12,500,000 BTUs (British Thermal Units) per hour.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Board of Medicine

ARC 9089B

Rule Summary Clarifies the criteria for and definition of a confidential record. Permits the Board of Medicine to share information with the Department of Revenue and the College Student Aid Commission in specified circumstances.

Fiscal Impact No fiscal impact. The Board retains fees charged to licensees to fund its operations.

ARC 9088B

Rule Summary Establishes the standards of practice for physicians or surgeons, or osteopathic physicians or surgeons, that serve as a medical director of a medical spa. Provides for violations of improper delegation and supervision.

Fiscal Impact Minimal fiscal impact may occur due to an increase in investigations from complaints that may result from the new violation of improper delegation and supervision. No new fees are implemented and the Board retains fees from licensees to fund its operations.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Board of Pharmacy

ARC 9091B

Rule Summary Removes four synthetic cannabinoids from Schedule I of the Iowa Uniform Controlled Substances (CSA) Act. Instead, these synthetic cannabinoids have been classified by the Board of Pharmacy as imitation controlled substances.

Fiscal Impact No fiscal impact. The Board of Pharmacy retains fees charged to licensees to fund its operations.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Secretary of State

ARC 9050B and 9049B

Rule Summary Removes a requirement to include a level of government heading on ballots. The removal of the heading frees up space on ballots that could be used to provide more relevant information if needed. The requirement to include the office title for all offices still exists.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)

Department of Transportation

ARC 9048B

Rule Summary Clarifies and streamlines procedures in the rules and rescinds rules that are no longer valid.

Amends a myriad of procedures under the Department of Transportation (DOT), including titles and registrations, emblem plates, salvage titles, abandoned vehicles, licenses, and fees. Included in the changes are adjustments to vehicle registration fees for vehicles with permanently installed disability equipment to add automobiles and trucks under 10,000 pounds (generally three- and four-ton pick-up trucks), respectively.

The rules may affect owners of motor vehicle dealerships, applicants for bonded certificates of title, applicants for processed emblem licensed plates, owners of business trade trucks that are 2010 and newer, county treasurers, vehicle recyclers, private universities, applicants for processed emblem plates, street rodding participants, private investigators, and applicants for dealer's licenses.

Fiscal Impact There is no fiscal impact to the State. There may be a fiscal impact to various business owners.

Regarding the change in motor vehicle registration fees for vehicles with permanently installed disability equipment, the fiscal impact cannot be determined because it is unknown how many vehicles will be equipped with the permanently installed equipment and at what fee those vehicles were registered previously. It is assumed that if the vehicles with the equipment were registered at fees higher than \$60.00 there will be a loss to the State's road funding. During the 2010 Legislative Session, the Legislative Services Agency estimated that the extension of the reduced fee to eligible pick-up trucks with disability equipment could cost the State approximately \$6,450, assuming 0.16% of all pick-up trucks registered at the reduced fee. Of that amount, approximately \$260 would be a loss to the counties' general funds and \$6,190 would be a decrease to the TIME-21 Fund.

STAFF CONTACT: Marcia Tannian (Ext. 17942)

Treasurer of State

ARC 9039B

Rule Summary Increases the net worth requirement of the Linked Investments for Tomorrow (LIFT) Program for small business owners for eligibility from \$750,000 to \$975,000. This is expected to increase in the number of small businesses that can participate in the LIFT Program.

Under the LIFT Program, the Treasurer of State can invest up to \$108.0 million of the state pooled money fund in certificates of deposit with a lending institution at 3.0% below the one-year Treasury bill rate. The lending institution loans the amount invested to a qualified small business at a higher rate of interest not to exceed 4.0% above the rate paid to the State. Half of this amount is available for qualifying small businesses that are 51.0% or more owned by women, minorities, or persons with disabilities.

Fiscal Impact No fiscal impact

ARC 9100B

Rule Summary Makes changes to reflect processing requirements and data security in the credit card industry. Conforms with current credit card processing requirements and regulations as promulgated by the card association (Payment Card Industry Council). State agencies that abide by the new rules will be in compliance with the State's credit card processing contract, with card association rules and regulations, and with the Payment Card Industry-Data Security Standards, that avoids fines and penalties and protects customers' credit card data.

Fiscal Impact No significant fiscal impact. To comply with the card association requirements, each State agency that accepts credit cards will spend between \$200 - \$1,000 annually for a review of their credit card data security. This is a card association requirement of all merchants that accept credit cards.

STAFF CONTACT: David Reynolds (Ext. 16934)

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Utilities Division – Department of Commerce

ARC 9101B

Rule Summary Prohibits the disconnection of electric or gas service to a residence when one of the heads of household is a deployed service member.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)
