



ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

Section 17A.4(3) Iowa Code Supplement 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.

REVENUE DEPARTMENT

ARC 6211B

Rule Summary Implements HF 319 (Internal Revenue Code Update Act), which updates references to the Internal Revenue Code for individual and corporation income tax through January 1, 2007, and implements SF 70 (Crime Victim Assistance Act) and SF 578 (Vietnam Veterans Bonus), which provide exclusions from Iowa individual income tax for certain victim compensation payments and a Vietnam Conflict Veterans bonus.

Fiscal Impact The changes to HF 319 will reduce State General Fund revenues by an estimated \$1.8 million for FY 2008 and State General Fund revenues will be increased by an estimated \$1.8 million in FY 2009 because of the impact of federal deductibility. The changes in SF 70 and SF 578 have a fiscal impact of less than \$100,000 annually.

ARC 6167B

Rule Summary Implements HF 892 (Film Promotion Program and Tax Credit Act), which provide for a film qualified expenditure tax credit and a film investment tax credit. The rules also provide for income exclusion for Iowa residents and Iowa-based businesses relating to film production in Iowa.

Fiscal Impact General Fund individual income, corporation income, and franchise tax revenue will be reduced by a total estimated amount of \$201,000 in FY 2008 and \$536,000 in FY 2009.

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ARC 6209B

Rule Summary Requires most licensees to file reports by electronic transmission and the existing formula providing for a variable tax each year based on the number of gallons of ethanol blended gasoline distributed in the preceding year is extended from 2007 to 2012.

Fiscal Impact No fiscal impact.

SPECIAL REVIEW: Valuation of Agricultural Real Estate

Rule Summary The assessor is required to determine the actual valuation of agricultural real estate within the assessing jurisdiction and spread such valuation throughout the jurisdiction so that each parcel of real estate is assessed at its actual value as defined in Section 441.21, Code of Iowa. The agricultural factor for each jurisdiction is required to be the product of the ratio of the productivity and net earning capacity value per acre over the market value of agricultural land within the assessing jurisdiction. The resulting ratio is then applied to the actual value of the agricultural buildings and structures. The agricultural factor is required to be applied uniformly to all agricultural buildings and structures in the assessing jurisdiction.

Fiscal Impact No fiscal impact to the State. Individual property taxes could change if the method of valuation for taxation is changed.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

NATURAL RESOURCE COMMISSION – NATURAL RESOURCES DEPARTMENT

ARC 6200B

Rule Summary Makes changes to the requirements for submitting a grant for funding from the Resource Enhancement and Protection (REAP) Fund. This includes simplifying the grant scoring process and requires grant applicants to submit a copy of the county's resource enhancement plan.

Fiscal Impact No fiscal impact to the State.

ARC 6201B

Rule Summary Creates a rule to designate public swimming areas on Clear Lake in Cerro Gordo County by placement of regulatory buoys.

Fiscal Impact No fiscal impact.

ARC 6199B

Rule Summary Makes the following rule changes:

- Establishes closed areas to entanglement gear (gill netting) below the 11 locks and dams on the Mississippi River.
- Sets net attendance requirements for entanglement gear.
- Clarifies language on possession of Sturgeon in Iowa waters and seasons.

The rule changes reflect the comments from the commercial fishing industry that expressed concern about the adverse impact of the proposed rules.

Fiscal Impact No fiscal impact to the State.

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(Filed Emergency) ARC 6197B

- Rule Summary** Makes the following rule changes:
- Adjusts the waterfowl and coot season dates for changes in calendar dates.
 - Increases the daily bag limit for Canada Geese during the September 1-15 season in the Des Moines and Cedar Rapids-Iowa City zones from three to five.
 - Adjusts the size of six closed areas for Canada Geese hunting to provide additional hunting opportunity.

These rules set regulations for hunting waterfowl and coot and include season dates, bag limits, possession limits, shooting hours, and areas open to hunting. Season dates were adjusted to comply with federal law and to ensure that seasons open on a weekend. Minor changes were made to goose zone boundaries for safety concerns and to allow qualifying landowners to hunt geese in the closed zone in Jackson County.

Fiscal Impact No fiscal impact.

ARC 6198B

Rule Summary Adopts a new chapter to provide rules for the Help Us Stop Hunger (HUSH) Deer Donation Program, which increases the deer harvest by hunters and allows the donation of deer to provide free venison to Iowa's needy citizens.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

ENVIRONMENTAL PROTECTION COMMISSION – NATURAL RESOURCES DEPARTMENT

ARC 6186B

Rule Summary Allows grain elevators in Iowa to be regulated in a manner similar to that of surrounding states. Regardless of the individual grain elevator's emissions, the Department of Natural Resources (DNR) requires an owner or operator of a grain elevator apply best management practices (BMP) and comply with the fugitive dust standard. The DNR also requires the grain elevator to comply with the emissions controls specified in required construction permits.

Fiscal Impact No fiscal impact to the State. The fiscal impact to owners or operators of grain elevators includes:

Registration or permit requirements:

- Approximately 700 existing grain elevators will be eligible to use the Group 1 registration and 70 will be eligible for a Group 2 permit application. Both groups will be required to provide basic identification information and to calculate their potential emissions. The DNR estimates that approximately four (4) hours will be needed to complete either Group's registration letter. Assuming staff costs of \$30 per hour, this equates to \$120 per facility, for a total estimated cost of \$92,400.
- Approximately 20 owners or operators of existing grain elevators will need to complete an air construction permit application, which would include emissions calculations. This will require hiring a consultant that specializes in computer air dispersion modeling. The Department estimates that the cost for completing and submitting an air construction permit application could range from \$5,000 to \$20,000 per facility, depending on the size of the facility and the amount of computer dispersion modeling needed.

- There are less than five owners or operators of grain elevators that would be required to obtain a Title V operating permit. The estimated cost for a consultant to complete a Title V operating permit application could range from \$10,000 to \$25,000 per facility, for a total estimated cost of between \$50,000 and \$125,000.

Best management practices will be implemented at all grain elevators:

- This includes the calculation of the Potential to Emit (PTE) to determine what air construction permit requirements apply.
- Group 1, with approximately 700 existing grain elevators will have a PTE of less than 15 tons per year. This requires the owners/operators to maintain good housekeeping practices and to maintain equipment that reduces air emissions. This also requires minimal record keeping. The fiscal impact is minimal to this Group.
- Group 2 includes about 70 grain elevators that emit PTE greater than 15 tons but less than 50 tons per year. This Group would need to reduce Particulate Matter 10 (PM10) emissions in addition to the best management practices of Group 1. To reduce PM10 emissions, this Group could opt to use grain oiling with an estimated cost of \$60,000 per facility to install this system. Annual operating costs are estimated at \$10,500 per facility. Other systems include receiving pits and loadout spouts with estimated costs of \$90,000 to \$225,000 per facility.
- The last group, with about 20 grain elevators, has a PTE that is greater than 50 tons per year and may be required to install air pollution controls. Controls include a mix of grain oiling and enclosures, aspiration systems and bag filters, and loadout spouts. Estimated costs range from \$180,000 to \$5.0 million per facility. Emission testing for the equipment will cost between \$50,000 and \$100,000 per facility.

Bin Vent Particulate Matter Emission Standard:

- The Department is specifying that particulate matter emissions from a bin vent will remain at the level currently used and the majority will not have to install new bins. The estimated cost to install bins is between \$15,000 and \$220,000 for each bin. One time testing of emissions is estimated to range from \$50,000 to \$100,000.

Total estimated costs for all grain elevators range:

- Permitting costs from \$242,000 to \$617,000.
- Best Management Practices from \$7.8 million to \$115.8 million.
- Total costs from \$8.0 million to \$116.4 million.
- Divided by the 795 grain elevators, that is an average estimated minimum cost of \$10,000 per elevator and an average estimated maximum cost of \$146,000 per elevator.

ARC 6187B

Rule Summary Makes several rule changes related to the Livestock Water Quality (LWQ) Program which is part of the Clean Water State Revolving Fund. The Program provides low interest financing to eligible animal feeding operations for manure management structures, equipment, and plans.

The rule change adds a bedded confinement building as a facility that is eligible for financing. The Department is proposing to allow financing of these types of roofed facilities under certain conditions. Other proposed changes include the following items:

- Restates the purpose of the Program to include pollution prevention.
- Updates the date for the federal definition of a Concentrated Animal Feeding.
- Operation in both the LWQ and the Local Water Protection Program.
- Clarifies eligible practices descriptions.
- References the definition and requirements of manure management plans.
- Updates the requirements for project approval that includes the removal of the option of Departmental review of plans and specifications.
- Allows the financing of updates to manure management, nutrient management, or comprehensive nutrient management plans as part of project financing.
- Adds a record keeping requirement.
- Adds language that allows the establishment of loan fees in the Intended Use Plan.

Fiscal Impact Minimal fiscal impact.

(From July Meeting) ARC 5999B

Rule Summary Implements the minimum federal standards promulgated by the federal EPA for municipal solid waste landfills (MSWLFs) that must be in compliance by October 1, 2007.

Fiscal Impact Department Expenditures: Additional expenditures by the DNR are estimated to be less than \$100,000 per year. Since the proposed rules are adopting current federal requirements, the implementation of most of these regulations is taking place now.

Landfill Expenditures: The following is a cost estimate for Iowa landfills based on information provided by Shaw Environmental, Inc. There are 59 landfills operating in Iowa and 11 sites plan to close prior to the proposed rules going into effect. There are 13 landfills that will be required to construct a new disposal area with a liner that complies with the federal requirements in order to continue accepting waste after October 1, 2007. Of the remaining landfills, several have already installed a bottom liner in a new disposal area but may be required to construct an additional side slope liner that is comparable to the liner on the bottom of the new disposal area. A landfill may also be required to perform an engineering model that verifies that the existing side slope liner in place is compliant with the rule requirements. The following are estimated additional one-time costs associated with this proposed rulemaking:

- One-time permitting costs that includes site investigations, permit application fees, and plan preparation, that is estimated between no additional cost and \$168,000 per site for a total estimated cost of \$2.2 million (for 13 sites).
- One-time costs for cell construction that are estimated to be no additional cost to \$250,000 per site for a total estimated cost of up to \$12.0 million (for 48 sites).
- One-time costs for installing a leachate storage system that are estimated to be no additional cost to \$250,000 per site for a total estimated cost of \$3.3 million (for 13 sites).

- A one-time cost for adding two additional groundwater monitoring wells at an average of \$6,000 per site for a total estimated cost of \$378,000 (for 63 sites).
- One-time costs for establishing background water quality are estimated to range between \$24,000 and \$131,000 per site.

The following are estimated additional annual costs associated with this proposed rulemaking:

- Annual estimated costs for routine groundwater monitoring conducted twice a year are estimated to range between \$10,000 and \$67,000 per year per site.
- If additional sampling is required, the estimated costs range from \$13,000 to \$85,000 per site per year. It is unlikely that all sites would require additional sampling.
- Annual incremental operating costs are estimated to range from no additional cost to \$17,000 per site per year.

Total estimated costs range with a minimum of \$20,000 per year and a maximum up to \$236,000 per year.

STAFF CONTACT: Debra Kozel (Ext. 16767)

RACING AND GAMING COMMISSION

SPECIAL REVIEW: Held over from May

Rule Summary Specifies that a license be temporarily denied or suspended until the outcome of any pending charges is known.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

EDUCATION DEPARTMENT

ARC 6161B

Rule Summary Changes accreditation requirements for school districts, regarding nondiscrimination for the new protected classes of sexual orientation and gender identity, implementation of anti-bullying and anti-harassment policies, and inclusion of the Statewide Voluntary Preschool Program for Four-Year-Olds under the Pre-Kindergarten Program definition. These changes are to conform to statutory changes made by SF 61 (School Anti-Harassment and Anti-Bullying Act), SF 427 (Sexual Orientation or Gender Identity Discrimination Act), and HF 877 (Statewide Voluntary Preschool Program for Four-Year-Olds).

Fiscal Impact No fiscal impact.

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		ARC 6156B
Rule Summary	Implement requirements of SF 588 (FY 2008 Education Appropriations Act) and HF 317 (Accreditation On-Site Fiscal Review Act). Deletes items that are no longer required by Statute or accreditation; adopts K-12 core content standards in reading, math, and science; and authorizes Phase II accreditation visits upon recommendation of the School Budget Review Committee for school districts that exceed their authorized budget or carry a negative unspent balance for two or more consecutive years.	
Fiscal Impact	No fiscal impact.	
		ARC 6163B
Rule Summary	Makes a change to conform to the statutory deadline of March 1 for filing an open enrollment request.	
Fiscal Impact	No fiscal impact.	
		ARC 6154B
Rule Summary	Implements the allocation of a \$2.0 million appropriation in SF 601 (FY 2008 Standing Appropriations Act) to community colleges to supplement full-time and part-time faculty salaries. The distribution is proportionate to the community college's total full-time and part-time instructional salary expenditures, not including temporary/seasonal faculty or adjunct faculty.	
Fiscal Impact	No fiscal impact for FY 2008, except for the appropriation. The appropriated amounts are to be considered part of the instructors' salaries for salary calculations, requests, and appropriations in future years, becoming an ongoing expenditure.	
		ARC 6155B
Rule Summary	Set a maximum fee for pre-licensing education courses and continuing education courses for used motor vehicle dealers as required by SF 358 (Motor Vehicle Dealer Education Act). The courses are offered by community colleges or by the Iowa Independent Automobile Dealers Association in conjunction with a community college. The fees will cover the cost of the courses and course materials and will not exceed \$50 per hour.	
Fiscal Impact	No fiscal impact to the State General Fund. The course fees are projected to provide revenues to the community colleges of \$313,000 in biennial renewals and \$72,000 for new applications to cover the costs of the Program.	
		ARC 6162B
Rule Summary	Aligns State and federal regulatory requirements, and expected service outcomes, for vocational rehabilitation services.	
Fiscal Impact	No fiscal impact.	

SPECIAL REVIEW: State Voluntary Preschool Program

Rule Summary New Chapter 16 (Statewide Voluntary Preschool Program for Four-Year-Olds) provides rules for implementation of the Preschool Program. The rules include application procedures that are the subject of the special review.

The following is a summary provided at the time the new rules were filed as emergency rules in ARC 5969B.

The Program provides 10 hours of instruction by a licensed teacher for four-year-olds that are not participating in a State or federally funded preschool program. The program is to operate through collaboration with appropriate community stakeholders with the school districts managing funding from the State. Funding is appropriated for the initial year that local programs operate, and the second and subsequent years are funded by the Preschool Foundation Aid Formula which uses 60.0% of the previous year's actual preschool enrollment multiplied by the State cost per pupil from the School Foundation Formula to determine the amount of funding each school district will receive. Funding comes entirely from the State General Fund and does not contain a property tax component. Funding for the preschool program is not to be commingled with funding for K-12 school operations.

Fiscal Impact The costs of the Program are funded through direct and standing appropriations and are projected to be:

<u>Fiscal Year</u>	<u>General Fund Appropriation</u>	<u>Preschool Foundation Aid Formula</u>
FY 2008	\$ 15.0 million	
FY 2009	15.0 million	\$ 15.3 million
FY 2010	15.0 million	31.1 million
FY 2011	16.2 million	47.6 million
FY 2012		67.1 million
FY 2013		87.3 million
FY 2014		108.9 million

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Robin Madison (Ext. 15270)

INSURANCE DIVISION – COMMERCE DEPARTMENT

ARC 6205B

Rule Summary Requires training for insurance producers who sell long-term care insurance in Iowa.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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HUMAN SERVICES DEPARTMENT

		ARC 6183B
Rule Summary	Eliminates the requirement for a six-month review of eligibility and reassessment of the premium amount for Medicaid coverage, provides that a member's premium amount will be set for the entire 12-month enrollment period and will not change, provides that changes in both premium amounts and federal poverty level increments will be implemented annually on April 1, and removes the limit on the number of times that eligibility may be reinstated following a late premium payment.	
Fiscal Impact	A minimal fiscal impact.	
		ARC 6208B
Rule Summary	Modifies the Medicaid rules regarding health insurance data matches.	
Fiscal Impact	No fiscal impact.	
		ARC 6191B
Rule Summary	Allows for coverage of automated medication dispensers with prior approval and coverage of cranial orthotic devices, expands coverage for oral nutritional products in accordance with recognized standards of medical care, and implements a requirement for a request from a Medicaid member or the member's caregiver before a refill of medical supplies can be provided.	
Fiscal Impact	A minimal fiscal impact.	
		ARC 6141B
Rule Summary	Provides that any written, non-electronic, Medicaid prescription will not be reimbursed unless executed on a tamper-resistant prescription pad.	
Fiscal Impact	A minimal fiscal impact.	
		ARC 6192B
Rule Summary	Revises the Medicaid reimbursement methodology for community mental health centers. Iowa Medicaid will initially make interim payments to a center based upon 105.0% of the greater of the Statewide fee schedule for community mental health centers effective July 1, 2006, or the average Medicaid managed care contracted fee amounts for community mental health centers effective July 1, 2006, applied on a procedure-code basis.	
Fiscal Impact	This rule is estimated to cost \$1.0 million in FY 2008. Funding is provided through unused funds from the Iowa Medicaid Enterprise's contract with Magellan Behavioral Health Corporation.	

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(Filed Emergency) ARC 6193B

Rule Summary Revises the Medicaid reimbursement methodology for hospital inpatient psychiatric services. Reimbursement for inpatient hospital care in a certified psychiatric unit will no longer be based on a rate calculated for a diagnosis-related group (DRG); however, they will be made on a per diem basis at a rate based on the hospital's cost report, which is expected to be higher.

Fiscal Impact This rule is estimated to cost \$2.5 million in FY 2008. Funding is provided through unused funds from the Iowa Medicaid Enterprise's contract with Magellan Behavioral Health Corporation.

ARC 5880B and 6212B

Rule Summary Revises the definition for the "county of residence" for the State Cases Program and which county would be responsible for the management of the services for an individual. The Department of Human Services is withdrawing this administrative rule change.

Fiscal Impact No fiscal impact.

(Filed Emergency) ARC 5813B

Rule Summary Adds home and community-based habilitation services as a new category of services covered under Medicaid.

Fiscal Impact The fiscal impact is estimated to be an increase in General Fund expenditures of \$300,000 in FY 2007 and \$1.4 million in FY 2008. The funding was included within the appropriation for the Medicaid Program in both fiscal years.

SPECIAL REVIEW: Personal Needs Allowance; Held over from June

Rule Summary Increases the personal needs allowance from \$30 per month, to \$50 per month, for Medicaid members residing in intermediate care facilities for persons with mental retardation (ICFs/MR), intermediate care facilities for persons with mental illness (ICFs/MI), and psychiatric medical institutions for children (PMICs), to match the increase given to nursing facility residents last year.

Fiscal Impact A minimal fiscal impact. This rule is estimated to cost the State an additional \$12,000 a year and all counties a total of \$70,000 a year. Funding was provided for in HF 909 (FY 2008 Health and Human Services Appropriation Act).

STAFF CONTACT: Sue Lerdal (Ext. 17794) Jess Benson (Ext. 14611) Lisa Burk (Ext. 17942)

ADMINISTRATIVE SERVICES DEPARTMENT

ARC 6188B

Rule Summary Implements the current policy related to tobacco use on the Capitol grounds and Ankeny laboratory locations.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT

(Filed Emergency) ARC 6153B

Rule Summary Updates the statutory rules to reflect changes made in HF 846 (FY 2007 Farmers Market Nutrition Program Act). Allows the Department to administer the Women, Infants, and Children/Farmers' Market Nutrition Program and the Senior Farmers' Market Nutrition Program as specified by the federal government which includes the prosecution of violators.

Fiscal Impact No fiscal impact.

ARC 6158B

Rule Summary Provides for the regulation of wild animals as required by SF 564 (FY 2007 Wild and Dangerous Animal Regulation Act). Owners of dangerous animals will be required to register with the Department.

Fiscal Impact A fiscal impact of \$100,000 (or more) annually or \$500,000 (or more) over five-years. The estimated costs include \$150,000 and 2.00 FTE positions. The Legislation did not specify the funding source to pay for the related expenditures.

STAFF CONTACT: Debra Kozel (Ext. 16767)

AGRICULTURAL DEVELOPMENT AUTHORITY

ARC 6140B

Rule Summary Changes the underwriting criteria for the Loan Participation Program to accurately reflect the current agricultural climate, increases the maximum participation amount to \$150,000, and provide a fixed interest rate for the 10-year period of the participation.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

ARCHITECTURAL EXAMINING BOARD – PROFESSIONAL LICENSING AND REG. BUREAU

ARC 6145B

Rule Summary Permits the Board flexibility in determining substantial equivalency of out of state applicants for registration to practice in Iowa.

Fiscal Impact No fiscal impact.

ARC 6139B

Rule Summary Allows out-of-state registrants to provide proof of compliance with their resident state's mandatory continuing education requirements in lieu of meeting Iowa's requirements, during a period of non-registration, when the out-of-state registrant applies for reinstatement of a lapsed registration.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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COLLEGE STUDENT AID COMMISSION

Rule Summary Gives priority for All Iowa Opportunity Scholarship Program grants to students that participate in the federal TRIO (a collection of several federal programs promoting education attainment for low-income students) programs or students that graduate from an alternative high school or alternative high school program. **(Filed Emergency) ARC 6135B**

Fiscal Impact No fiscal impact.

Rule Summary Removes All Iowa Opportunity Scholarship Program grant priority language for students in the State Training School or Iowa Juvenile Home. **(Filed Emergency) ARC 6136B**

Fiscal Impact No fiscal impact.

STAFF CONTACT: Mary Shipman (Ext. 14617)

DENTAL EXAMINERS BOARD – PUBLIC HEALTH DEPARTMENT

Rule Summary Specifies that failure to preserve the confidentiality of patient information by any licensee or registrant may be grounds for discipline. **ARC 6131B**

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF

Rule Summary Implements a new program authorized by HF 911 (FY 2008 Infrastructure Appropriations Act). The rules establish the process by which a Convention and Visitors Bureau can apply to be designated a certified Regional Sports Authority District, the funding available to certified Regional Sports Authority Districts and the contract administration process. **ARC 6144B**

Fiscal Impact House File 911 included a FY 2008 appropriation of \$500,000 for 10 grants of \$50,000 per grant.

Rule Summary Implements HF 890 (Targeted Small Business Supplemental Appropriations Act) and creates a new Targeted Small Business Financial Assistance Board, revises the definition of “small business” and “minority person” and makes other required changes to these. **ARC 6143B**

Fiscal Impact House File 890 included a FY 2007 supplemental appropriation of \$3.9 million. The majority of the funding is allocated for the Targeted Small Business Financial Assistance Program and the Advocate Service Providers.

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ARC 6138B and (Filed Emergency) 6137B

Rule Summary Implements HF 829 (Commercialization and Economic Development Act) which created related programs for the development and commercialization of businesses in the targeted industry areas of advanced manufacturing, bioscience, and information technology.

Fiscal Impact House File 829 included FY 2008 allocations totaling \$3.9 million from moneys that may become available from loan repayments or other recapture of awards that would otherwise return to economic development loan programs from Federal Economic Stimulus funds, to support the recommendations made in consultant reports regarding targeted industries.

STAFF CONTACT: Ron Robinson (Ext. 16256)

ENGINEERING & LAND SURVEYING EXAMING BD – PROF. LIC. & REG. BUREAU

ARC 6151B

Rule Summary Defines examination subversion and explains the conduct for which the Board may impose sanctions, and explains the legal rights of the candidate who is charged with examination subversion.

Fiscal Impact No fiscal impact.

ARC 6148B and 6152B

Rule Summary Clarifies that the six-year experience requirement, which is in addition to graduation from a two-year degree program, may be reduced for graduates of a degree program of more than two years and explains the conditions under which an on-line degree will be accepted as satisfactory by the Board for proper preparation of the applicant for the fundamentals of surveying examination.

Fiscal Impact No fiscal impact.

ARC 6147B

Rule Summary Changes the term “digital” signature to “secure electronic” signature and explains the conditions under which an electronic signature meets signature requirements.

Fiscal Impact No fiscal impact.

ARC 6150B

Rule Summary Revises the compensation to peer reviewers allowing for a variety of payment terms in lieu of restricting payment to per diem equal to that received by Board members and clarifies the type of expenses that will be reimbursed.

Fiscal Impact A minimal fiscal impact. There will be little change in costs since the contracts will also contain a cap on the amount of payment similar to the current cap.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

HOMELAND SECURITY & EMERGENCY MANAGEMENT DIV. – PUBLIC DEFENSE

ARC 6210B

Rule Summary Updates the training requirements for local emergency management coordinators.

Fiscal Impact No fiscal impact.

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ARC 6206B

Rule Summary Updates the allocation process for Federal Emergency Management Performance Grants to create a more equitable distribution of funds to local emergency management programs.

Fiscal Impact No fiscal impact.

ARC 6207B

Rule Summary Increases the percentage used to distribute Wireless E911 funds to local E911 service boards from 24.0% to 25.0% and provides guidance on how to create and maintain master street address guides.

Fiscal Impact Based on the recent revenue received per calendar quarter, the percentage change is anticipated to increase the amount of Wireless E911 funds directed to local E911 service boards by approximately \$35,000 per quarter or \$140,000 per year.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

IOWA FINANCE AUTHORITY

ARC 6195B

Rule Summary Updates the Low Income Housing Tax Credit Qualified Allocation Plan ("QAP") to make the tax credit award process easier for developers and low income tenants. Minor changes were made to the QAP rules since the rules were published, based upon public comment.

Fiscal Impact No fiscal impact.

ARC 6194B

Rule Summary Establishes purchasing rules, including requirements for competitive bidding.

Fiscal Impact No fiscal impact.

ARC 6159B

Rule Summary Adopts allocation plan for project-based part of the State Housing Trust Fund Program.

Fiscal Impact No fiscal impact.

ARC 6160B

Rule Summary Clarifies that Entrepreneurs with Disabilities Program awards may be used for consulting services deemed necessary by the client, the counselor and the business planner; adds a standard of "demonstrated need and evidence of business progression" as a condition of grant awards; provides for grants to be provided in three phases; and clarifies that the IFA has monitoring rights over records that are related to the Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

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INSPECTIONS AND APPEALS DEPARTMENT

ARC 6184B and (Filed Emergency) 6185B

Rule Summary Adds Special Class "C" liquor licenses to the list of establishments permitted to have registered amusement devices, further defining the revocation, suspension, and denial and the appeal process. The rules reduce the frequency of reporting for registered amusement device owners and distributors from semi-annually to annually.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

INSURANCE DIVISION – COMMERCE DEPARTMENT

ARC 6132B

Rule Summary Establishes a way to provide cash refunds of premium tax to insurance companies that have actually made a premium tax payment or prepayment, demonstrate an inability to recoup the funds paid via a credit, and meet other eligibility criteria.

Fiscal Impact A minimal fiscal impact.

ARC 6202B

Rule Summary Require all filings related to insurance producer licensing and the reporting of continuing education to be filed electronically. In addition, the fees for some of the filings have been eliminated.

Fiscal Impact The Division's fee revenue will be reduced approximately \$250,000 annually and the Division's workload will be reduced.

ARC 6203B

Rule Summary Sets standards to protect active duty service members of the United States Armed Forces from dishonest and predatory insurance sales practices by declaring certain identified practices to be false, misleading, deceptive or unfair.

Fiscal Impact No fiscal impact.

ARC 6204B

Rule Summary Sets requirements, procedures and fees, relating to the qualification, licensure and appointment of public adjusters, pursuant to Chapter 522C, Code of Iowa, and in accordance with a model act adopted by the National Association of Insurance Commissioners.

Fiscal Impact A minimal fiscal impact. The State of Iowa will receive fees of less than \$2,500 per year for the licensing and renewal process.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ARC 6196B

Rule Summary Updates and corrects rules pertaining to the application, modification and termination of benefits, and the calculation of monthly retirement benefits.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

LABOR SERVICES DIVISION - WORKFORCE DEVELOPMENT DEPARTMENT

ARC 5790B and 6169B

Rule Summary Adopts by reference the most recent platform lift standards of the American Society of Mechanical Engineers. The rule process has been terminated for this rule filing.

Fiscal Impact No fiscal impact.

ARC 6168B

Rule Summary Technical changes to the rules on minimum wage.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

LAW ENFORCEMENT ACADEMY

ARC 6213B

Rule Summary Establishes standardized training for reserve peace officers with Iowa Law Enforcement Academy (ILEA) certification and decertification.

Fiscal Impact A minimal fiscal impact. The Academy instructors are currently preparing training material to be given to approved reserve peace officer instructors. This material will be presented on CDs at no cost to the cities and counties. Academy costs are the current employee salaries and the cost of the CDs.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

PETROLEUM UNDERGROUND STORAGE TANK (UST) FUND BOARD, IOWA COMPREHENSIVE

ARC 6164B and (Filed Emergency) 6165B

Rule Summary Changes the reimbursement for the removal of tanks that were upgraded to meet current standards, and removes the Board's responsibility to provide for licensing since it was transferred to the Department of Natural Resources. The Department of Natural Resources has a separate filing adopting rules for licensing.

Fiscal Impact Based on the previously implemented temporary version of the rule, during which \$938,413 was expended over the period of 20 months, the estimated increase in expenditures from the UST Fund is approximately \$500,000 per year for the first two years.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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PHARMACY BOARD – PUBLIC HEALTH DEPARTMENT

ARC 6176B

Rule Summary Provides that any money submitted for payment of any license, registration, permit, or service fee that results in an overpayment of the required fee by an amount of \$10 or less is not to be refunded to the remitter.

Fiscal Impact Minimal fiscal impact. Over the past five years, the Board has processed refunds or returned fees that included overpayments amounting to \$10 or less approximately one time each month.

ARC 6179B

Rule Summary Eliminates the term "examiners" from the name of the Board and changes references to the Board's Chief Administrative Officer from "Executive Secretary" or "Executive Secretary/Director" to "Executive Director." Also, changes fee amounts to reflect the amounts that have been charged since FY 2005 for the various licenses, permits, and registrations.

Fiscal Impact No fiscal impact. The fees are the same amounts that have been charged over the past three-years for licenses, registrations, and permits.

ARC 6172B

Rule Summary Clarifies which prescription drugs may be returned to a pharmacy and reused.

Fiscal Impact No fiscal impact.

ARC 6175B

Rule Summary Authorizes the delivery of a patient's filled prescriptions to an outpatient medical care facility where the patient receives treatment and establishes requirements relating to the delivery, clarifies the requirements for the facsimile transmission of a prescription drug order and identifies an exception to these requirements when the order is transmitted by an entity other than the prescriber or agent of the prescriber from an outpatient medical care facility to the patient's pharmacy.

Fiscal Impact No fiscal impact.

ARC 6178B

Rule Summary Provides that a prescriber may authorize no more than 12 refills of a noncontrolled prescription drug or device to be filled within 18 months of the original date of the prescription drug order and clarifies the meaning of the term "refill".

Fiscal Impact No fiscal impact.

ARC 6174B

Rule Summary Corrects the name of the Accreditation Council for Pharmaceutical Education due to a recent name change and provides that acceptable training for a pharmacist to qualify as a pharmacist authorized to administer immunizations includes an organized course of study in a college or school of pharmacy or an approved program of pharmaceutical continuing education that meets the standards identified.

Fiscal Impact No fiscal impact.

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ARC 6173B

Rule Summary Clarifies the requirements for a pharmacist's check and verification of each dose of a prescription medication before the medication is removed from the pharmacy and stocked by a non-pharmacist into a component of an Automated Medication Distribution System (AMDS). Also, amends the requirements related to utilization of a decentralized unit dose AMDS by eliminating the distinction between an AMDS utilized for floor stock distribution of patient medications and an AMDS utilized for other than floor stock distribution. The amendments require verification of the accuracy of medication stocked into AMDS components based on whether or not bar coding or other technology-based verification is used during the medication stocking function and not based on the intended use of the AMDS component.

Fiscal Impact No fiscal impact.

(Filed Emergency) ARC 6171B

Rule Summary Classifies the substance Lisdexamphetamine, a new stimulant drug product, as a Schedule II controlled substance, subject to the Iowa Controlled Substances Act. The federal Drug Enforcement Administration classified Lisdexamphetamine as a Schedule II stimulant subject to the federal Controlled Substances Act effective June 4, 2007.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

PROFESSIONAL LICENSURE DIVISION – PUBLIC HEALTH DEPARTMENT

ARC 6170B

Rule Summary Technical change to clarify and correct rules pertaining to Barbering to make them consistent with the other Boards in the Professional Licensure Division.

Fiscal Impact No fiscal impact.

ARC 6146B

Rule Summary Changes to define the continuing education required for Respiratory Care license reactivation, removes Board approval of continuing education sponsors, and removes requirements regarding polysomnography (sleep pattern, breathing, heart activity, and limb movements during sleep) testing.

Fiscal Impact No fiscal impact.

ARC 6134B

Rule Summary Changes clarify continuing education requirements for Physician Assistants, rescinds old or duplicated language, and amends both the number of Board members and the Board title to be consistent with the Code of Iowa.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

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PUBLIC EMPLOYMENT RELATIONS BOARD

ARC 6149B

Rule Summary Increases maximum per diem fee for fact finders, arbitrators, and teacher termination adjudicators from \$650 to \$800 and rescinds outdated rules on agency consent for sale of goods or services to regulated parties by agency officials.

Fiscal Impact Fiscal impact cannot be determined. The number of neutrals that will increase their per diem fee (the rule change allows and does not require a fee increase), the amount of those increases, the number of proceedings which will occur in a given period before neutrals who did increase their fees, and the duration of those proceedings, is unknown.

STAFF CONTACT: Ron Robinson (Ext. 16256)

REAL ESTATE APPRAISER EXAMINING BOARD – PROF. LIC. & REG. BUREAU

ARC 6190B

Rule Summary Corrects the definition of an Associate Real Property Appraiser or Associate Appraiser to conform to SF File 137 (FY 2007 Registration of Associate Real Estate Appraisers Act), removes redundant information covered in other chapters of the rules, and clarifies compensation for peer reviewers in accordance with the Professional Licensing Bureau's revised contract.

Fiscal Impact No fiscal impact.

ARC 6189B

Rule Summary Defines requirements for logs to bring the State of Iowa in compliance with federally-mandated guidelines as set forth by the Appraisal Qualifications Board, and defines college course requirements to bring the State of Iowa in compliance with federally-mandated guidelines as set forth by the Appraisal Qualifications Board.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

REGENTS BOARD

ARC 6177B

Rule Summary Requires a vacancy in the position of President Pro Tem of the Board of Regents to be filled as soon as practicable.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Mary Shipman (Ext. 14617)

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STATE PUBLIC DEFENDER – INSPECTIONS AND APPEALS DEPARTMENT

ARC 6182B

Rule Summary Increases the hourly rate paid for court-appointed attorneys in certain cases by \$5 per hour. This rule implements the statutory change effective July 1, 2007, which was enacted in SF 575 (Justice System Appropriations Act). This rule was previously published under notice as ARC 6015B and ARC 6016B.

Fiscal Impact The \$5 increase in attorney fees in FY 2008 is anticipated to cost the General Fund \$900,000 in FY 2008. The costs are estimated to be an additional \$300,000 in FY 2009, for an annual total increase of \$1.2 million.

ARC 6180B and (Filed Emergency) 6181B

Rule Summary Modifies the manner in which foreign language interpreters are paid from the Indigent Defense Fund, to comply with the rules issued by the State Court Administrator.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301) Jennifer Acton (Ext. 17846)

TRANSPORTATION DEPARTMENT

ARC 6166B

Rule Summary Expands the definition of what qualifies as an attraction. The Department of Transportation's (DOT) Logo Signing Program is designed to provide motorists information about gas, food, lodging, camping, or tourist attraction services available at the next interchange. The DOT may allow business signs for a single type of motorist service type to be located on two mainline service signs per direction (previously limited to one).

Fiscal Impact The estimated net fiscal impact is less than \$100,000 annually. Costs associated with installing new signs or updating current ones are paid from the Primary Road Fund. Revenue collected from participation in the Logo Signing Program is deposited into the Highway Beautification Fund.

Although the number of signs that will be installed or updated is unknown, the DOT was able to estimate the cost of this rule revision based on logo sign requests from previous years. The estimated fiscal impact for FY 2008 is a decrease of \$113,400 from the Primary Road Fund, and an increase of \$21,600 to the Highway Beautification Fund. The estimated fiscal impact for FY 2009 and beyond is anticipated to be minimal.

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ARC 6133B

Rule Summary Conform to recent legislation and the Code of Iowa, to streamline procedures where appropriate, to remove form numbers and use more generic descriptions of forms, to correct or delete outdated language, and to clarify rules where needed. This rulemaking affects vehicle owners and lessees, lien holders, motor vehicle and trailer dealers, transporters, motor vehicle lessors, authorized vehicle recyclers, persons owning towing or recovery vehicles, and police authorities and private entities processing abandoned vehicles.

Fiscal Impact A minimal fiscal impact. The only amendment that may have a fiscal impact is rescission of a rule that allows a multipurpose vehicle to be registered as a motor truck if the owner certifies that the vehicle is not equipped with rear seats. This rescission may result in an increase in registration fees. Motor trucks are registered based on combined gross weight. Registration fees for 1993 and subsequent model year multipurpose vehicles are based on weight and value. The Department is unable to determine how many vehicles are affected.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

VETERANS AFFAIRS – IOWA DEPARTMENT OF

ARC 6157B

Rule Summary Provides for the prohibition of illegal substance use by residents of the Iowa Veterans Home.

Fiscal Impact A minor fiscal impact for the cost of urinalysis when needed.

STAFF CONTACT: Sue Lerdal (Ext. 17794)
