



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.

DEPARTMENT OF EDUCATION

ARC 6624B

Rule Summary Adds standards and criteria for evaluation of Area Education Agency (AEA) teachers for purposes of the Student Achievement and Teacher Quality Program. Teachers in AEAs were added to the Program in statute in 2007. Adds rules related to the Administrator Quality Program established in statute in 2007.

Fiscal Impact No fiscal impact.

ARC 6625B

Rule Summary Allows eligible districts to independently define the term "minority student" as it applies to open enrollment requests as long as race is not the sole or the determinative factor.

Fiscal Impact No fiscal impact.

ARC 6623B

Rule Summary Implements changes to reflect the number and type of charter schools allowed. Adds a deadline for approval of charter school applications by school boards. Adds a process for renewal or revocation of existing grants.

Fiscal Impact No fiscal impact.

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

<u>Agency</u>	<u>Page</u>	<u>Agency</u>	<u>Page</u>
Department of Education	1	College Student Aid Commission	5
Secretary of State	2	Homeland Sec. and Emerg. Management	6
Ethics and Campaign Disclosure Bd.	2	Department of Human Services	6
Board of Educational Examiners	2	Iowa Finance Authority	6
Credit Union Division	3	Labor Services Division	6
Professional Licensure Division	3	Landscape Architectural Examining Board	7
Department of Public Safety	3	Board of Medicine	7
State Public Defender	3	Natural Resource Commission	8
Utility Division	4	Department of Revenue	8
Environmental Protection Commission	4	Telecomm. and Technology Comm.	9
Dept. of Ag. and Land Stewardship	5	Treasurer of State	9

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 2

SECRETARY OF STATE

ARC 6537B

Rule Summary Revises existing rules to reflect HF 653 (Voter Registration Act) regarding acceptable identification documents for voters to submit at the polls. Prescribes the form of notice to be sent to election-day registrants if the U.S. Postal Service returns the acknowledgement notices.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)

ETHICS AND CAMPAIGN DISCLOSURE BOARD

ARC 6594B

Rule Summary Prohibits assessment of a civil penalty against a campaign committee using the Board's electronic filing system if dysfunction of the electronic filing system causes a report to be filed late.

Fiscal Impact Minimal impact. The Board may save money resulting from less paperwork and staff time needed for filing civil penalties.

ARC 6593B

Rule Summary Changes wording relating to fines assessed for late lobbyist reports for the Executive Branch. The second and subsequent delinquencies apply to a report covering any quarter of the year the lobbyist is registered. Occurrences by calendar year are no longer a factor.

Fiscal Impact Minimal impact. Fine amounts are unchanged and the total number of penalties assessed annually is expected to be minimal.

ARC 6592B

Rule Summary Permits the Board to retain the \$2.00 per civil penalty assessed for late-filed reports that are not waived by the Board or a Court. The proceeds will be used for printing and postage of mailings to bring persons into compliance.

Fiscal Impact Minimal impact. Approximately \$300 would be withheld from the General Fund.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

BOARD OF EDUCATIONAL EXAMINERS

ARC 6606B

Rule Summary Permits administrators licensed in other states to obtain an Iowa license for the grade levels covered by the out-of-state license without need of additional coursework, even when Iowa licenses typically cover additional grades.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 3

CREDIT UNION DIVISION

ARC 6602B

Rule Summary Allows credit unions that are State-chartered to offer debt cancellation products.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

PROFESSIONAL LICENSURE DIVISION – DEPARTMENT OF PUBLIC HEALTH

ARC 6605B

Rule Summary Chiropractors: Updates continuing education standards. Adds new standards for record keeping and billing practices.

Fiscal Impact No fiscal impact.

ARC 6545B

Rule Summary Board of Mortuary Science: Conforms for consistency with the current practice of mortuary science. Includes “funeral establishments” and “cremation establishments” within the regulations. Limits independent study continuing education credits.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

DEPARTMENT OF PUBLIC SAFETY

ARC 6591B

Rule Summary Requires video surveillance and recording to occur within the premises of a gaming facility or, with the approval of the Division of Criminal Investigation (DCI), in a building adjacent to a casino. Requires video surveillance equipment to be maintained on the premises or an adjacent building. Requires existing video surveillance systems that are converted to digital prior to January 1, 2011, to comply with the requirements for digital systems established in rules.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

STATE PUBLIC DEFENDER

ARC 6610B

Rule Summary Reflects statutory court-appointed attorney rate increases included in SF 575 (FY 2008 Justice System Appropriations Act). Amends the rules to reflect current practice.

Fiscal Impact The rate increase was projected to increase expenditures by \$900,000 in FY 2008 and was included in the appropriations to the Office of the State Public Defender.

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 4

ARC 6608B and 6609B

Rule Summary Increases the mileage reimbursement rate paid to court-appointed attorneys in all cases and removes the cap on claims for court-appointed attorneys in termination of parental rights proceedings under Chapter 600A, Code of Iowa. Proposed rules are filed emergency.

Fiscal Impact The mileage reimbursement rate increase is projected to increase FY 2008 expenditures by \$30,000 and FY 2009 expenditures by \$77,000. These costs are paid primarily by the appropriation from the General Fund. The Office of the State Public Defender did not request an increase in the FY 2009 General Fund appropriation.

The elimination of the cap on claims for certain termination of parental rights proceedings is estimated to increase FY 2008 expenditures by less than \$5,000 and FY 2009 expenditures by less than \$10,000. These costs are paid from the Jury and Witness Revolving Fund.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

UTILITIES DIVISION – DEPARTMENT OF COMMERCE

ARC 6616B

Rule Summary Reflects new emissions allowances under the federal Clean Air Interstate Rule (CAIR) and the Clean Air Mercury Rule (CAMR). Exempts "vintage trades" (sale or trade of allowances for one year for allowances from another year) from energy adjustment clause (EAC) refunds. Adds the definition of "historical costs" and a definition of options to use as a recognized hedging strategy.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

ENVIRONMENTAL PROTECTION COMMISSION – DEPARTMENT OF NATURAL RESOURCES

ARC 6599B

Rule Summary Establishes air quality rules for grain elevators and defines each type of facility, permitting options, emissions calculation methodology, emissions reporting and record keeping, and best management practices for controlling air pollution.

Fiscal Impact No fiscal impact to the State. Total estimated costs to owners or operators of grain elevators include:

- 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.

When divided by the 795 grain elevators in Iowa, these costs result in an average estimated minimum cost of \$10,000 per elevator and an average estimated maximum cost of \$146,000 per elevator.

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 5

ARC 6595B
Rule Summary Adopts the Department's Recreational Use Assessment and Attainability Analysis Protocol by reference. The Protocol identifies the data gathering procedures to be used to determine the appropriate recreational use designation for Iowa streams.

Fiscal Impact Minimal fiscal impact.

ARC 6596B
Rule Summary Makes changes to underground storage tank rules as follows:

- Revises Risk Based Corrective Action (RBCA) Tier 2 software model.
- Evaluates public water supply wells.
- Revises the planning process for corrective action at high risk leaking underground storage tank sites.
- Revises enforcement and transitional rules.

Fiscal Impact No fiscal impact to the Department. The Iowa Underground Storage Tank Fund provides funding to eligible owners and operators to comply with Department rules.

ARC 6598B
Rule Summary Removes the out-of-date schedule for reducing concentration levels of heavy metals in packaging and incorporates changes enacted by SF 344 (Toxics in Packaging Act). These changes restrict the liability of distributors for the distribution of toxic packages without knowledge and substitutes civil enforcement proceedings for the former criminal enforcement provisions. Provides the State with authority to pursue violations of the law.

Fiscal Impact Minimal fiscal impact to the State. Cost to businesses would include the cost of removing products from store shelves. Manufacturers will be required to utilize packaging materials free of heavy metal content that is above specified limits.

STAFF CONTACT: Deb Kozel (Ext. 16767)

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

ARC 6614B
Rule Summary Adds definitions for pesticide applicators to include an aerial applicator and certified commercial applicator. Requires pesticide containment when a spray component is being repaired or drained. Adds record keeping requirements.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Deb Kozel (Ext. 16767)

COLLEGE STUDENT AID COMMISSION

ARC 6587B
Rule Summary Implements the All Iowa Opportunity Scholarship Program created by SF 588 (FY 2008 Education Appropriations Act). Clarifies definitions, extends eligibility to students seeking diplomas and certificates, and allows part-time students to receive prorated awards. The Program received a \$1.5 million appropriation for FY 2008.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 6

ARC 6588B

Rule Summary Implements the All Iowa Opportunity Foster Care Grant Program. The Program receives a \$500,000 allocation from the \$1.5 million appropriation for the All Iowa Opportunity Scholarship.

Fiscal Impact No fiscal impact.

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

HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

ARC 6589B

Rule Summary Changes the filing office for certain reports required under the Emergency Planning and Community Right to Know Act from the Department of Workforce Development to the Department of Natural Resources.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

DEPARTMENT OF HUMAN SERVICES

ARC 6615B

Rule Summary Adjusts the premiums assessed for the coverage group “Medicaid for Employed Persons with Disabilities” (MEPD). The rule makes the annual premium adjustment using both the 2008 State employee insurance costs and the 2008 federal poverty levels. Premiums are determined by a sliding scale.

Fiscal Impact The rule will result in minimal savings to the General Fund.

STAFF CONTACT: Jess Benson (Ext. 14611)

IOWA FINANCE AUTHORITY

ARC 6622B

Rule Summary Permits municipal borrowers under the Water Pollution Control Works and Drinking Water Facilities Financing Program the option of prepaying loans.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

LABOR SERVICES DIVISION - DEPARTMENT OF WORKFORCE DEVELOPMENT

ARC 6617B

Rule Summary Adopts changes to federal occupational safety and health standards affecting general industry and construction. The changes shift the costs of certain personal protective equipment from employees to employers.

Fiscal Impact No fiscal impact to the State. A reliable method to determine how much of the cost of purchasing personal protective equipment will be shifted from employees to employers is not available nor is there a reliable method to determine the savings resulting from a reduction in injuries.

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 7

ARC 6603B

Rule Summary Permits new building owners to take advantage of waivers granted to previous building owners. Creates an additional requirement that waivers be permanently and conspicuously posted.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

LANDSCAPE ARCHITECTURAL EXAMINING BOARD

ARC 6601B

Rule Summary Allows for Iowa licensees not currently working in the State to retain licenses by registering an “inactive” status and a paying a decreased licensing fee.

Fiscal Impact Minimal impact. State General Fund revenue will increase by an estimated \$4,000 resulting from fees paid by licensees that would have otherwise allowed their Iowa licenses to expire.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

BOARD OF MEDICINE

ARC 6607B

Rule Summary Increases from seven to 10, the number of years an individual applying for a medical license has to successfully complete the United States Medical Licensing Examination (USMLE) or the Comprehensive Osteopathic Medical Licensing Examination (COMLEX) before a waiver is required.

Fiscal Impact Minimal fiscal impact based on possible administrative savings and the opportunity for a physician to initiate a medical practice earlier.

ARC 6590B

Rule Summary Permits a physician with a permanent license from a United States jurisdiction to practice as a resident physician in Iowa when enrolled in an Iowa resident training program.

Fiscal Impact Minimal fiscal impact with the decreased cost of a resident physician license in lieu of a permanent license of \$3,500. An estimated 10 physicians will utilize this opportunity.

ARC 6604B

Rule Summary Updates the standards of practice for assessment and treatment of certain pain to meet current national standards.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 8

NATURAL RESOURCE COMMISSION – DEPARTMENT OF NATURAL RESOURCES

ARC 6597B
Rule Summary Provides a no-wake zone on a portion of the Mississippi River within the City of Burlington. The City of Burlington petitioned the Department of Natural Resources to establish this no-wake zone as a part of the historic frontage area and to enhance the water safety for the public boat ramps and docks.

Fiscal Impact No fiscal impact.

ARC 6600B
Rule Summary Establishes cabin rental fees at Prairie Rose State Park, lodge rental fee at Lake Darling State Park, and establishes Honey Creek Resort State Park as a park that will be managed by the Central Group Companies.

Fiscal Impact Minimal fiscal impact. For Prairie Rose the estimated annual cabin rental revenue is \$18,000 and for Lake Darling the estimated annual lodge rental is \$36,000 for a total of \$54,000.

STAFF CONTACT: Deb Kozel (Ext. 16767)

DEPARTMENT OF REVENUE

ARC 6621B
Rule Summary Sets an interest rate of 10.0% per annum, 0.8% per month, for unpaid taxes and refunds owed on or after January 1, 2008. The Director of Revenue is required to update this rule annually. This rate is unchanged from calendar year 2007.

Fiscal Impact No fiscal impact.

ARC 6619B
Rule Summary Changes the calculation for computing fuel tax refunds for engine idling. The change reflects the use of more efficient engines that use less fuel while idling.

Fiscal Impact Fiscal impact cannot be determined. Some claimants' refunds could be reduced.

ARC 6620B
Rule Summary Establishes a four-year staggered term for the two assessor seats on the Assessor Continuing Education Committee. No time limit exists currently.

Fiscal Impact No fiscal impact.

ARC 6618B
Rule Summary Provides an exemption from Iowa sales and use tax for certain tangible personal property and services purchased by a qualifying web search portal business. Specifies the time frame when this exemption is made available.

Fiscal Impact No fiscal impact for FY 2008. These tax incentives are expected to decrease State General Funds revenue by an estimated \$3.6 million for FY 2009, \$12.7 million for FY 2010, \$22.0 million for FY 2011, and \$32.7 million for FY 2012.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Administrative Rules – Fiscal Impact Summaries

March 7, 2008 9

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

ARC 6611B

Rule Summary Changes the name of the Sales and Marketing Bureau to the Service Delivery Bureau. Adds developing new products and services, maintaining price tables, and providing customer service and assistance to the list of responsibilities of the Bureau.

Fiscal Impact No fiscal impact.

ARC 6612B

Rule Summary Allows the Iowa Communications Network (ICN) to purchase equipment needed for customer services that is valued at less than \$2.0 million without Legislative approval.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

TREASURER OF STATE

ARC 6613B

Rule Summary Changes the administration and operation of the Iowa Educational Savings Plan Trust. The significant changes include: adding procedures for online applications; removing the age limit of less than 18 years for beneficiary participation; and removing the \$2,000 maximum investment amount per beneficiary per year.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)
