Iowa Legislative Services Agency Fiscal Services

April 4, 2008



ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

Section 17A.4(3) <u>lowa Code Supplement</u> 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 SAFETY

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Rule Summary Requires smoke detectors installed or replaced in residences after the effective date of the rule to be equipped with both an ionization sensor and a photoelectric sensor.

Fiscal Impact Minimal fiscal impact.

ARC 6662B

Rule Summary Requires containers used for flammable and combustible liquids to be constructed of

metal or hard plastic. Requires the container to be permanent or reusable.

Fiscal Impact No fiscal impact.

ARC 6667B

Rule Summary Establishes procedures and requirements for the new Alarm Contractors and

Installers Certification Program. Includes various certification fees ranging between \$50 and \$150 for the three-year certifications. Includes a \$500 per day civil penalty

for an installer who does not have the proper certification.

Fiscal Impact The Department of Public Safety is unable to estimate the revenues expected from

the fees since the number of contractors and installers for the alarm systems is not yet determined. The revenue will be retained by the Department of Public Safety for

the implementation and enforcement of the Program.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Table of Contents

Agency	Page	Agency	Page
Department of Public Safety	1	Engineering and Land Surveying Board	9
Iowa Finance Authority	2	Insurance Division	9
Department of Corrections	2	Iowa Public Employees' Retirement System	10
Iowa Lottery Authority	2	Labor Services Division	10
Department of Transportation	2	Natural Resource Commission	10
Pharmacy Board	3	Iowa Petroleum Underground Storage Board	11
Department of Public Health	4	Professional Licensure Division	11
Department of Revenue	4	Racing and Gaming Commission	11
Department of Human Services	5	Real Estate Commission	12
Department of Economic Development	7	Secretary of State	12
Educational Examiners Board	8	Utilities Division	12
Department of Elder Affairs	9	Department of Veterans Affairs-Vets Home	12

IOWA FINANCE AUTHORITY

ARC 6681B

Rule Summary Updates and clarifies the standards that apply to the operation and management of

property within the Low Income Housing Tax Credit provisions.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

DEPARTMENT OF CORRECTIONS

ARC 6641B

Rule Summary Clarifies current provisions for jail inspections and jail operations. Conforms physical

space requirements for jails to American Correctional Association (ACA) standards. Grandfathers in existing facilities for compliance with updated physical space

requirements.

Fiscal Impact Minimal fiscal impact is anticipated on county jail construction and operation costs.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

IOWA LOTTERY AUTHORITY

ARC 6652B and 6651B

Requires lottery players to sign the original lottery ticket or share prior to presenting

the ticket for validation and redemption of prizes. Requires the retailers to verify that a signature has been provided on tickets before validating the ticket. Filed as a Notice and as an Emergency Rule per the direction of the Government Oversight

Legislative Committee.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

DEPARTMENT OF TRANSPORTATION

ARC 6637B

Rule Summary

Makes numerous technical changes regarding the following outdoor advertising signs along interstates and primary highways, including:

- Permits businesses located within the limits of a commercial or industrial development to advertise on a sign located anywhere within the development, regardless of land ownership. Limits the number of development directory signs allowed per business and the message content. Establishes criteria for a property to qualify as a commercial or industrial development.
- Allows light-emitting diode (LED) displays to be used when the message is displayed in the minimum required timeframe. Requires a minimum spacing between LED displays of 1,000 feet outside city limits and 500 feet inside city limits.
- Requires an advertising device visible from an interstate highway must to be located within an area zoned and used for commercial or industrial purposes.

- Permits signing for cemeteries that is allowed by the Federal Highway Administration (FHWA). Allows service clubs or religious notices to display hours open to the public.
- Amends provisions regarding obstructions in the highway right-of-ways.
- Deletes references to the issuance of permits for municipal, county, and school district recognition signs that are permitted without Department of Transportation (DOT) approval.
- Specifies the process for removal of illegal and abandoned advertising devices.

Fiscal Impact

No fiscal impact to the State. Costs would be paid by those affected by the proposed amendment. Existing LED displays and advertising devices along interstate highways appear to conform to the new requirements. There may be a few existing developmental directory signs that do not comply with either the new rule or current outdoor advertising rules. These signs were not approved by the DOT, and are subject to removal if the signs cannot be brought into compliance.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

PHARMACY BOARD

ARC 6668B

Rule Summary Implements statutory changes regarding the registration and national certification of

pharmacy technicians. Requires national certification of pharmacy technicians by

July 1, 2010.

Fiscal Impact No fiscal impact.

ARC 6665B

Rule Summary Deletes references to a rescinded rule and corrects other references regarding

pharmacy compound practices.

Fiscal Impact No fiscal impact.

ARC 6666B

Rule Summary Permits a pharmacy contracting with a hospital pharmacy to provide remote

pharmacist services that include pharmacist entry of the medication order into the hospital's electronic prescription record system. Permits administration of certain vaccines to adult patients without a written or verbal patient-specific medication order

in health-related facilities under certain circumstances.

Fiscal Impact No fiscal impact.

ARC 6664B

Rule Summary Provides for the identification of a temporary pharmacist in charge for a defined

period of time following a vacancy of the pharmacist in charge position in a

pharmacy. Requires written notification of appointment of a temporary pharmacist in charge to be submitted to the Board within 10 days of the vacancy. Requires a new license application and fee to be submitted to the Board after identification of a

permanent pharmacist in charge.

Fiscal Impact No fiscal impact.

ARC 6670B

Rule Summary Implements telepharmacy systems and remote dispensing locations for the use of

automated medication distribution systems (AMDS). Requires control and verification by the pharmacist at the managing pharmacy prior to the certified pharmacy technician dispensing drugs to patients at a remote dispensing site. Requires the pharmacist at the managing pharmacy to counsel each patient via

audiovisual link between the remote site and the managing pharmacy.

Fiscal Impact No fiscal impact.

ARC 6671B

Rule Summary Delineates differences between a central fill pharmacy and a central processing

pharmacy. Provides for patient notification for centralized filling and processing of the patient's prescriptions. Permits the opportunity for a patient to decline the

centralized services.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Phillip Kauffman (Ext. 52062)

DEPARTMENT OF PUBLIC HEALTH

ARC 6684B

Rule Summary Implements the statutory Office of Multicultural Health. Specifies the membership

and duties for the Multicultural Health Advisory Council.

Fiscal Impact No fiscal impact. The Office is funded by a variety of federal sources.

ARC 6680B

Rule Summary Establishes a renewal process for those meeting National Registry of Emergency

Medical Technicians (EMT) re-registration requirements. Updates standards for Emergency Medical Services (EMS) training programs and disciplinary rules for

providers and training programs.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Phillip Kauffman (Ext. 52062)

DEPARTMENT OF REVENUE

ARC 6683B

Rule Summary Clarifies changes to existing tax laws and strikes rules that are no longer applicable

or are obsolete relating to individual and corporate income tax, and franchise tax.

Fiscal Impact No fiscal impact.

ARC 6682B

Rule Summary Changes the Ethanol Blended Tax Credit to the Ethanol Promotional Tax Credit

starting on January 1, 2009, for both individuals and corporations. Allows individual and corporate income tax payers to claim the E-85 Gasoline Promotion Tax Credit

and the Ethanol Promotion Credit in the same filing.

Fiscal Impact For FY 2009, the fiscal impact to the General Fund will be a revenue decrease of

\$4,800,000. For FY 2010, the fiscal impact to the General Fund will be a revenue decrease of \$6,200,000. These were the estimated impacts when enacted in HF

2754 (Renewable Fuel Incentive Act) during the 2006 Session.

Special Review

Rule Summary Implements requirements for assessors for determining the valuation of agricultural

real estate. Actual value will be determined by exclusive consideration to the agricultural real estate's productivity and net earning capacity. Includes requirements as to how the assessor will define productivity and net earning capacity. Defines the

classification of agricultural real estate.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

DEPARTMENT OF HUMAN SERVICES

ARC 6627B

Rule Summary Makes technical changes to update the descriptions of forms and procedures used in

determining Medicaid eligibility and benefits.

Fiscal Impact No fiscal impact.

ARC 6669B

Rule Summary Requires a process for incident reporting and policies on restraints, restrictions, and

behavioral interventions for all Home and Community Based Services (HCBS) programs. The changes are required by the federal Centers for Medicare and Medicaid Services (CMS) to continue to receive federal financial participation for

HCBS waivers.

Fiscal Impact No fiscal impact.

ARC 6659B

Rule Summary Allows Medicaid to provide the smoking cessation drug Chantix. To receive the drug,

recipients must apply for prior authorization.

Fiscal Impact Allowing Chantix to be prescribed to Medicaid patients is estimated to cost the

General Fund \$100,000 in FY 2009 and \$300,000 in FY 2010. No funding has been

provided.

ARC 6676B

Rule Summary

Makes the following changes to Medicaid and remedial services:

- Adds new components to supported living services under the HCBS habilitation services and the mental retardation and physical disability services waivers and increases the reimbursement limits for them.
- Adds Medicaid reporting requirements for physical therapists, chiropractors, audiologists, and hearing aid dealers.
- Removes a restriction that prevents a person from receiving habilitation services and different services under a waiver.
- Removes obsolete provisions on assignment of service slots, clarifies the
 relationship between service plan approval and the beginning date of
 services, and clarifies that personal care and protective oversight and
 supervision may not be the only components received in home-based
 habilitation services.
- Updates the upper payment limit for HCBS waiver respite services provided in a foster group care facility to refer to the amount paid for child welfare services instead of for rehabilitative treatment and supportive services that are no longer available.

Fiscal Impact

Minimal fiscal impact, however the total cost is unknown. No changes in utilization are expected.

ARC 6629B

Rule Summary

Changes the Medicaid reimbursement methodology for outpatient hospital services. Hospitals will be reimbursed by both Medicare and Medicaid using Medicare's outpatient prospective payment system (OPPS), based on the ambulatory patient classifications and relative weights published annually by the Centers for Medicare and Medicaid Services.

Fiscal Impact

The estimated cost to the General Fund is \$124,000 for FY 2008. Funding was provided in HF 909 (FY 2008 Health and Human Services Appropriation Act).

ARC 6650B

Rule Summary

Changes the Healthy and Well Kids in Iowa (hawk-i) Program rules to reflect current practice regarding the administration of and applications for the hawk-i Program.

Fiscal Impact

No fiscal impact.

ARC 6677B

Rule Summary

Permits parents that work at least six hours between 8 p.m. and 6 a.m. to receive child care assistance subsidy for child care while sleeping during the daytime. Requires repayment of overpayments from the Child Care Assistance subsidy that are caused by agency errors. Clarifies that "vocational training" also includes postsecondary education. Exempts several definitions of income from consideration in determining child care assistance subsidy eligibility. Updates various forms.

Fiscal Impact

Minimal fiscal impact. For FY 2009, the repayment of overpayments is estimated to equal the additional hours of subsidy paid for parents working overnight. For FY 2010, the estimated cost is \$48,000.

ARC 6630B

Rule Summary Remove requirements for purchasing legal services for permanency through a

statewide formal competitive selection process.

Fiscal Impact No fiscal impact. Funds previously expended in other child welfare categories are

being reallocated for the cost of the legal services.

ARC 6631B

Rule Summary Removes obsolete references and terminology from the Adoption Subsidy Program.

Fiscal Impact No fiscal impact.

ARC 6632B

Rule Summary Establishes a new policy for the verification of citizenship and immigration status of

children in foster care.

Fiscal Impact Minimal fiscal impact from replacing the loss of federal Title IV-E funds since the

children may no longer meet the federal verification requirements.

STAFF CONTACT: Phillip Kauffman (Ext. 52062) and Jess Benson (Ext. 14611)

DEPARTMENT OF ECONOMIC DEVELOPMENT

ARC 6655B

Rule Summary Changes the name of the Targeted Industries Division to the Innovation and

Commercialization Division.

Fiscal Impact No fiscal impact.

ARC 6657B and ARC 6658B

Rule Summary Permits a business receiving an award from the Targeted Industries Internship

Program to select an intern within the time period specified in the contract with the Department in lieu of the current requirement of within 90 days of the award date.

Fiscal Impact No fiscal impact.

ARC 6656B

Rule Summary Updates the funding allocation to the Department for the Grow lowa Values Fund to

reflect the reduction of the appropriations by \$3.0 million each year for FY 2008 through FY 2015. Reflects the amounts from the appropriation from the Fund for the FY 2008 through FY 2015. Revises the requirements of the annual report from the State Board of Regents regarding the use of the \$5.0 million appropriation from the

Grow Iowa Values Fund.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

BOARD OF EDUCATIONAL EXAMINERS

ARC 6636B

Rule Summary Decreases the appeal period for a proposed Board decision from 60 days to 30 days.

Decreases the time to initiate a review of a proposed Board decision from 60 days to

30 days.

Fiscal Impact No fiscal impact.

ARC 6639B

Rule Summary Rescinds a requirement that applicants from foreign institutions pass the Test of

English as a Foreign Language (TOEFL).

Fiscal Impact No fiscal impact.

ARC 6638B

Rule Summary Eliminates the requirement that out-of-state applicants for administrator licensure

meet all the requirements for a standard license. Applicants will be licensed for the

grade levels they were licensed for in another state.

Fiscal Impact No fiscal impact.

ARC 6642B

Rule Summary Clarifies requirements for a school psychologist endorsement.

Fiscal Impact No fiscal impact.

ARC 6634B

Rule Summary Specifies that one unit of the six units required for renewal of a teacher standard

license may be earned through mentoring student teachers or practicum students.

Fiscal Impact No fiscal impact.

ARC 6635B

Rule Summary Specifies that one unit of the four units required for renewal of a master educator

license may be earned through mentoring student teachers or practicum students.

Fiscal Impact No fiscal impact.

ARC 6633B

Rule Summary Changes the Code of Professional Conduct and Ethics to reflect new statutory

requirements enacted in 2007 that require teachers and administrators to report when teaching assignments do not match licensure or when a teacher lacks the

appropriate endorsement for an assignment.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

DEPARTMENT OF ELDER AFFAIRS

ARC 6672B

Rule Summary Adds clarification to the waiver and contested case procedures for Area Agencies on

Aging (AAA).

Fiscal Impact No fiscal impact.

ARC 6674B

Rule Summary Adds a requirement for non-profit contractors or sub-grantees of Area Agencies on

Aging (AAA) to comply with all State-related requirements for non-profit entities.

Clarifies the waiver requirements regarding funding and AAA plans.

Fiscal Impact No fiscal impact.

ARC 6673B

Rule Summary Replaces the word "client" with the word "consumer" within the Case Management

for Frail Elders Program. Clarifies the assessment, eligibility and service plan requirements for consumers. Adds requirements for conflicts of interest in the

Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Phillip Kauffman (Ext. 52062)

ENGINEERING AND LAND SURVEYING EXAMINING BOARD

ARC 6649B

Rule Summary Enumerates Board-approved foreign credential evaluators. Clarifies the Board's

intention to mail renewal notifications prior to the license expiration date. Allows outof-state residents applying for reinstatement of lowa licensure to provide evidence that the other State's education requirements are comparable to lowa's. Allows the Board to disclose certain confidential information to a licensee under specific

circumstances.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

INSURANCE DIVISION – DEPARTMENT OF COMMERCE

ARC 6654B

Rule Summary Requires the use of the small employer uniform health insurance application form by

small employer carriers when small employers request health insurance premium

quotes.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ARC 6679B

Rule Summary Implements lower contribution rates for special service members. Increases the

amount required for a temporary employee to begin lowa Public Employees' Retirement System (IPERS) coverage from \$300 to \$1,000 in two consecutive quarters. Clarifies IPERS coverage for part-time appointed board or commission

members.

Fiscal Impact Total contributions will decrease by an estimated \$356,000 for FY 2009 compared to

FY 2008. There may be moderate increases in fees and charges to employers if they

do not conform to the proposed rule changes.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

LABOR SERVICES DIVISION - IOWA WORKFORCE DEVELOPMENT DEPARTMENT

ARC 6645B

Rule Summary Makes a technical change within the language related to the issuance of waivers or

variances by the Boiler and Pressure Vessel Board.

Fiscal Impact No fiscal impact.

ARC 6646B

Rule Summary Clarifies safety requirements for temporary boilers to facilitate the automatic transfer

of waivers from one building owner to the next. Clarifies compliance with the

statutory ten-day notice requirement before boiler installation.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

NATURAL RESOURCE COMMISSION - DEPARTMENT OF NATURAL RESOURCES

ARC 6653B

Rule Summary Details the regulations for nonresident deer hunting and includes season dates, bag

limits, possession limits, shooting hours, areas open to hunting, licensing procedures, means and methods of taking, and transportation and reporting requirements.

Restricts the optional antlerless-only licenses to one of the two regular shotgun

seasons. Adds a requirement for the use of hunter orange color physically on ground

blinds.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND BOARD

ARC 6648B

Rule Summary Broadens the number of eligible sites and provides greater flexibility to the Board to

work with the Department of Natural Resources (DNR) in removing tanks in a more timely manner that may cause environmental harm. Simplifies documenting eligibility at sites where ownership has changed to address the large number of sites that have

changed owners and the various methods of transfer or retention of liability.

Fiscal Impact The fiscal impact depends on tank owners' decisions to take tanks out of service.

The rule change may result in a minor increase in claims paid by the Board for the

broadening of eligibility criteria.

STAFF CONTACT: David Reynolds (Ext. 16934)

PROFESSIONAL LICENSURE DIVISION - DEPARTMENT OF PUBLIC HEALTH

ARC 6663B

Rule Summary Permits the Massage and Bodywork Licensing Examination (MBLEx) to be accepted

for licensure as a massage therapist.

Fiscal Impact No fiscal impact.

ARC 6675B

Rule Summary Permits occupational therapists and therapy assistants that work in a preschool or

school setting to provide interventions for no more than four months.

Fiscal Impact No fiscal impact.

ARC 6647B

Rule Summary Adds an additional examination for licensure as an interpreter for the hearing

impaired.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Phillip Kauffman (Ext. 52062)

RACING AND GAMING COMMISSION

ARC 6678B

Rule Summary Requires denial of a racing license for persons that have been convicted of a felony

within the last five years. Permits the Commission to deny a license if a conviction prior to the last five years has occurred. Allows additional testing of gambling games at the request of the Commission or the Administrator for the Commission. Makes other technical changes to definitions and conforms racing rules to national

standards.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

REAL ESTATE COMMISSION

ARC 6660B

Rule Summary Clarifies that records may be retained in an electronic form. Adds minimum

requirements to ensure that documents are formatted for easy retrieval. Clarifies types of records required to be kept by Iowa real estate brokers. Permits the

commission to reject original documents that are not legible.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

SECRETARY OF STATE

ARC 6643B

Rule Summary Provides voters and other interested persons with the opportunity to review the

summary to be printed on the ballot for the proposed constitutional amendment that is to be voted on at the November 4, 2008, General Election. The constitutional amendment changes the language that describes a person that cannot legally vote from "idiot or insane person" to "a person adjudged mentally incompetent to vote." The only purpose for this notice is to solicit public comments. Following the comment

period the notice will be terminated without adopting the rule.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)

UTILITIES DIVISION - DEPARTMENT OF COMMERCE

ARC 6626B

Rule Summary Brings the Iowa Utilities Board's guidelines on accessibility into alignment with those

of the State Building Code and to comply with the federal Americans with Disabilities

Act (ADA) guidelines.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

DEPARTMENT OF VETERAN AFFAIRS - IOWA VETERANS HOME

ARC 6644B

Rule Summary Increases the veterans' personal needs allowance from \$120 to \$140 to match the

increase of \$20 provided for the Medical Assistance Program (Medicaid). Makes technical changes to the admissions process for the Iowa Veterans Home.

Fiscal Impact Minimal fiscal impact of \$44,000 per year.

STAFF CONTACT: Sue Lerdal (Ext. 17794) and Jennifer Acton (Ext. 17846)