



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.

Insurance Division – Department of Commerce

ARC 7201B

Rule Summary Makes technical changes to the oversight of the licensing of insurance producers to conform with the National Association of Insurance Companies’ uniform guidelines.

Fiscal Impact No fiscal impact.

ARC 7202B

Rule Summary Makes technical changes to the oversight of the licensing of insurance producers to conform with the National Association of Insurance Commissioners’ uniform guidelines. Requires persons licensed to sell crop insurance to receive continuing education and provides for specific requirements.

Fiscal Impact No fiscal impact.

ARC 7205B

Rule Summary Adds the use of misleading senior-specific certifications or designations that imply special expertise or training to the list of unfair trade practices in the business of life insurance and annuities.

Fiscal Impact No fiscal impact.

Table of Contents			
Agency	Page	Agency	Page
Insurance Division	1	Department of Corrections	16
Ethics and Campaign Disclosure Board	3	Department of Elder Affairs	16
Iowa Finance Authority	5	Iowa Public Employees' Retirement System	17
Department of Human Services	5	Labor Services Division	18
Department of Revenue	8	Board of Pharmacy	18
Natural Resource Commission	10	Professional Licensing and Regulation Bureau	19
Department of Natural Resources	11	Professional Licensure Division	19
Department of Public Safety	11	Utilities Division	20
Environmental Protection Commission	12	Department of Veterans Affairs	20
Department of Public Health	14	Board of Veterinary Medicine	21
Department of Agriculture and Land Stewardship	15	Department of Workforce Development	22
Banking Division	15		

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

2

ARC 7207B

Rule Summary Implements HF 2694 (2008 Insurance Division Long-Term Care Insurance Model Act). Clarifies the process for long-term care insurance policy holders to request an independent review of a denial of coverage based on a failure to qualify for benefits. Applies to all long-term care insurance claims made on or after January 1, 2009.

Fiscal Impact No fiscal impact.

ARC 7200B

Rule Summary Requires insurers that raise premiums on a long-term care insurance policy to offer a reduced benefit option and, under certain circumstances, a contingent benefit upon lapse for policies issued in 2003 or before. Currently these options are available for policies issued after 2003.

Fiscal Impact No fiscal impact.

ARC 7154B and 7153B

Rule Summary Implements SF 2392 (2008 Insurance Division Life Settlements Model Act) related to the administration of viatical and life settlements in Iowa. Provides criteria for legitimate viatical and life settlement agreements. Includes safeguards to monitor viatical settlement provider activity including education and licensing requirements. (Viatical refers to the purchase of a terminally ill person's life insurance policy for a certain percentage of the policy's face value.)

Fiscal Impact Minimal fiscal impact. Under current law, Iowa has had less than 100 applications that includes a \$100 fee for viatical broker licenses. Under the proposed amendments this number may increase resulting in a slight increase in revenue to the General Fund.

ARC 7190B

Rule Summary Prohibits a licensed insurer from the use of a senior-specific certification or designation related to the sale of securities or when providing investment advice. Provides examples of misleading designations. Permits accredited designations and job titles within an organization.

Fiscal Impact No fiscal impact.

ARC 7141B

Rule Summary Clarifies required rate filing methods and required procedures for requesting and filing rate deviations in workers' compensation liability insurance filings. Requirements take effect January 1, 2009.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

3

ARC 7124B

Rule Summary Requires insurers to conduct an annual audit of financial statements by independent certified public accountants. Requires communication of internal control related matters noted in an audit and management's report of internal control over financial reporting in the report.

Fiscal Impact No fiscal impact.

70-Day Delay on Pharmacy Benefit Management - ARC 7082B

Rule Summary Implements SF 512 (Pharmacy Benefit Management Act). Establishes standards for timely payment of pharmacy claims, provides penalties for noncompliance, and establishes a resolution process for complaints and disputes. Changes made after public comment include: an extension of the deadline for compliance for the new payment schedule to January 1, 2009, the addition of an external appeals process in addition to an internal process, and additional protection for pharmacy benefits managers against fraudulent claims. At its regular meeting held on September 9, 2008, the Administrative Rules Review Committee voted to delay the effective date of subrules relating to the independent third party review process for 70 days. The Division was directed to work with the public to resolve dissidence related to the review process.

Fiscal Impact No fiscal impact to the State. Minimal cost to pharmacy benefit managers.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Ethics and Campaign Disclosure Board

ARC 7181B

Rule Summary Clarifies the campaign committee officer positions required to be disclosed to the Ethics and Campaign Disclosure Board. Requires campaign committees to appoint specific officer positions, such as a treasurer, that must be disclosed to the Board. Specifies that other appointed positions that are unique to a committee do not require disclosure.

Fiscal Impact No fiscal impact.

ARC 7188B

Rule Summary Clarifies that a candidate that has registered a committee for one office by filing a statement of organization and then files for a new office at a later date is required to continue filing campaign disclosure reports for the new office regardless of the financial filing threshold.

Fiscal Impact No fiscal impact.

ARC 7182B

Rule Summary Requires a campaign disclosure report with a due date that is less than five days before an election to be physically received by the Board by 4:30 P.M. on the due date for it be considered timely filed.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

4

ARC 7160B

Rule Summary Requires the filing of Form DR-SFA prior to the distribution of political materials. Form DR-SFA permits a candidate or organization that has not exceeded the \$750 financial filing threshold to use the “paid for by” attribution statement on political materials.

Fiscal Impact No fiscal impact.

ARC 7183B

Rule Summary Reduces the financial filing threshold for an independent expenditure from \$750 to \$100. An independent expenditure is made by any person that is not a candidate or a participant acting on behalf of a registered committee.

Fiscal Impact No fiscal impact.

ARC 7185B

Rule Summary Allows a federal or out-of-State political committee to file a Verified Statement of Registration (VSR) electronically via the Iowa Ethics and Campaign Disclosure Board’s website. Requires a federal or out-of-State political committee that makes a contribution to an Iowa committee in excess of \$50 to file a VSR with the Board.

Fiscal Impact Minimal impact to the State. Reports sent to the Board electronically should result in a decrease of staff time devoted to manually processing and scanning paper reports.

ARC 7189B

Rule Summary Establishes a procedure to ensure that 527 Committees that file reports with the Internal Revenue Service provide additional copies to the Ethics and Campaign Disclosure Board. A 527 Committee refers to a tax-exempt organization that is not regulated by the Federal Elections Commission or the Board.

Fiscal Impact No fiscal impact.

ARC 7186B

Rule Summary Allows Form DR-OTC to be filed electronically on the Ethics and Campaign Disclosure Board’s website. Requires permanent organizations that make campaign contributions in excess of \$750 to file Form DR-OTC with the Board.

Fiscal Impact Minimal impact to the State. Reports sent to the Board electronically should result in a decrease of staff time devoted to manually processing and scanning paper reports.

ARC 7187B

Rule Summary Allows Personal Financial Disclosure Forms to be filed electronically with the Ethics and Campaign Disclosure Board by designated officials, employees, and candidates in the Executive Branch.

Fiscal Impact Minimal impact to the State. Reports sent to the Board electronically should result in a decrease of staff time devoted to manually processing and scanning paper reports.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

5

ARC 7161B

Rule Summary Clarifies the requirements for expenditure reporting for Executive Branch lobbying activities. Removes requirements reported in other documents relating to compensation received for Executive Branch lobbying activities.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Iowa Finance Authority

ARC 7136B and 7135B

Rule Summary Adopts the 2009 First Amended Qualified Allocation Plan as the qualified allocation plan for low income housing tax credits. The Plan was amended to implement provisions of the Housing and Economic Recovery Act of 2008 and to facilitate housing relief for areas affected by natural disasters.

Fiscal Impact No fiscal impact to the State. Provides for the allocation of federal tax credits.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Department of Human Services

ARC 7118B

Rule Summary Exempts income earned through temporary employment with the U.S. Bureau of the Census from consideration in determining eligibility for the Family Investment Program.

Fiscal Impact No fiscal impact.

ARC 7120 and 7119B

Rule Summary Implements the federal Food, Conservation, and Energy Act of 2008 (known as the "Farm Bill"). The Act changes access to the Food Assistance Program, promotes efficiency of the Program's operation, and simplifies the Program.

Fiscal Impact No fiscal impact to the State. Any funding changes are 100.00% federal funds.

ARC 7208B

Rule Summary Expands Medicaid coverage to children with disabilities that have family income or resources that are too high for eligibility for Supplemental Security Income (SSI) - related Medicaid. This is the implementation of the Family Opportunity Act that was a portion of the federal Deficit Reduction Act of 2005.

Fiscal Impact The implementation of the Family Opportunity Act is estimated to cost the General Fund \$282,000 in FY 2009 and \$739,000 in FY 2010. Funding was provided for FY 2009 in SF 2425 (FY 2009 Health and Human Services Appropriations Act).

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

6

ARC 7206B

Rule Summary Modifies case management services in screening centers, maternal health centers, local education agencies, and infant and toddler (Early ACCESS) programs. Clarifies policies on prenatal risk assessments and administration of vaccines and updates references and terminology. These changes are required by federal regulations.

Fiscal Impact Due to changes in federal regulation, the State will only be able to claim an administrative match rate of 50.00% instead of a services match rate of approximately 63.00% for FY 2009 and FY 2010. The administrative costs are paid to the Department of Public Health for this Program from the Medicaid appropriation. The Program will be implemented for only five months of FY 2009. The difference in the two match rates will cost the State \$183,000 in FY 2009 and \$453,000 in FY 2010 as a result of reduced federal revenue.

ARC 7137B

Rule Summary Restores Medicaid coverage of periodontal and endodontic dental services, including posts, cores, and crowns, for members 21 years of age or over.

Fiscal Impact Restoring these services will cost the General Fund \$402,000 in FY 2009 and \$817,000 in FY 2010. Funding was not provided by the General Assembly for the restoration of these services.

ARC 7121B

Rule Summary Eliminates the requirement for maternity patients and children receiving home health agency services to be assigned a Department of Human Service's case service worker.

Fiscal Impact Minimal fiscal impact from possible staff costs.

ARC 7123B and 7122B

Rule Summary Increases the Medicaid reimbursement rate for nonemergency medical transportation by car from 30 cents per mile to 34 cents per mile.

Fiscal Impact The mileage increase will impact 75.00% of medical transportation claims. The State's share of the increase will cost the General Fund \$303,000 in FY 2009 and \$393,000 in FY 2010. Funding was not provided by the General Assembly for this increase in FY 2009.

ARC 7126B and 7125B

Rule Summary Increases the PROMISE JOBS mileage reimbursement rate from 30 cents per mile to 34 cents per mile.

Fiscal Impact Increasing the mileage reimbursement rates for the PROMISE JOBS Program will cost the State \$488,000 in FY 2009 and \$605,000 in FY 2010. Funding was not provided by the General Assembly for this purpose. This will result in decreased unexpended Family Investment Program (FIP) funds in FY 2009 that would be available for expenditure in FY 2010.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

7

ARC 7173B
Rule Summary Requires the Department to negotiate Iowa donation of funds contracts directly with the donors under the Accountable Government Act instead of using the current contract form and procedures.

Fiscal Impact No fiscal impact.

ARC 7127B
Rule Summary Implements a 1.00% reimbursement rate increase for social service providers for foster care placements in supervised living and shelter care.

Fiscal Impact An appropriation of \$89,000 for a 1.00% provider increase was provided in SF 2425 (FY 2009 Health and Human Services Appropriations Act).

ARC 7130B
Rule Summary Increases the reimbursement rates for foster family care to maintain the rate at 65.00% of the United States Department of Agriculture (USDA) estimate of the cost to raise a child. This amendment increases basic reimbursement rates for foster family care and other living arrangements for payments that are based on foster family rates.

Fiscal Impact An increase of \$325,000 was provided in SF 2425 (FY 2009 Health and Human Services Appropriations Act) for the State portion of this expenditure.

ARC 7131B
Rule Summary Finalizes the process for the child care subsidy management information system that allows a provider to submit claims electronically. Exempts income of recipients under 18 years of age and a full-time student or those earning income from a temporary position with the U.S. Census Bureau from eligibility determination.

Fiscal Impact Minimal fiscal impact. The cost of the management information system was paid with prior fiscal year funding. The changes for eligibility determination reflect current practice.

ARC 7132B
Rule Summary Provides a 1.00% reimbursement rate increase for group foster care service providers.

Fiscal Impact For FY 2009, the State cost is estimated to be \$348,309. Senate File 2425 (FY 2009 Health and Human Services Appropriations Act) provided \$324,873 for FY 2009 that was the estimate during the 2008 Legislative Session.

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

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

8

Department of Revenue

ARC 7197B

Rule Summary Allows the Director of the Department of Revenue to extend the deadline to file tax returns for a maximum of one year, for businesses and persons located in disaster areas.

Fiscal Impact No fiscal impact. The State may receive some delayed tax payments but ultimately there is no loss in revenue.

ARC 7204B

Rule Summary Makes technical changes to replace the outdated term "gasohol" with the updated term "ethanol." Rescinds chapters relating to motor fuels, specials fuels, and the administration of both. Amends the definition of "supplier" to include persons that produce or acquire bio-fuel or biodiesel for storage and distribution from a terminal. Authorizes the Director of the Department of Revenue to regard persons or facilities in possession of fuel products as a person or facility when administering motor fuel laws. Requires the Department to report the number of gallons of retail fuel sales by classification annually to the Governor and Legislative Services Agency by April 1. Reflects the change in the tax rate for gasoline from 20.7 cents to 21 cents for the period beginning July 1, 2008, and ending June 30, 2009.

Fiscal Impact The expected funding increase for the Road Use Tax Fund is \$1.2 million in FY 2009.

ARC 7198B

Rule Summary Provides for the indication of health care coverage for dependent children on individual income tax returns starting with the tax year beginning January 1, 2008. Implements the Charitable Conservation Contribution Tax Credit for tax years beginning on or after January 1, 2008. Clarifies that an itemized deduction for charitable contributions is not allowed for individual income tax for tax years beginning on or after January 1, 2008, for the amount of the contribution that is eligible for the Charitable Conservation Contribution Tax Credit. Updates the listing regarding the sequence of tax credits to be deducted for individual income tax and for corporate income tax.

Fiscal Impact The change reflected in HF 2080 (2008 Conservation Tax Credits Act) is estimated to reduce General Fund revenue by \$300,000 for FY 2009 and \$500,000 for FY 2010. This estimate is the same as was used during the 2008 Legislative Session.

ARC 7199B

Rule Summary Clarifies several income possibilities that are either subject to or exempt from Iowa income taxes or corporate taxes. Clarifies that State match payments related to Individual Development Accounts are exempt from Iowa individual income tax. Exempts the 50.0% bonus depreciation for assets acquired after December 31, 2007, but before January 1, 2009, from Iowa individual income tax. Clarifies that the increased depreciation expense allowance (Section 179) for tax periods beginning after December 31, 2007, but before January 1, 2009, does apply to Iowa individual income tax. Provides for an income tax exemption for the Vietnam Conflict veterans bonus received by eligible veterans that served between July 1, 1958, and May 31, 1975. Includes federal revisions made in 2007 to the Research Activities Credit for corporation income tax.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

9

Fiscal Impact The changes reflected in SF 2123 (2008 Internal Revenue Code Update Act) are estimated to reduce General Fund revenue by \$2.8 million for FY 2009 and by \$5.1 million for FY 2010. This estimate is the same as was used during the 2008 Legislative Session.

ARC 7196B

Rule Summary Wage-Benefit Tax Credit: Allows availability of the Wage-Benefit Tax Credit for individual income tax through the fiscal year ending on June 30, 2011, although it was repealed effective July 1, 2008. Repeals the Wage-Benefit Credit for franchise tax. The first impact will be in FY 2013 when entities with existing tax credits expire.

Wind Energy Production Tax Credit: Extends the Wind Energy Production Tax Credit to facilities that will use the electricity for on-site consumption in addition to individual income tax. Requires applicants that filed for the tax credit on or after March 1, 2008, to have one or more wind turbines that have a combined nameplate generating capacity of at least two megawatts. Eliminates the requirement that the tax credit for individual income tax can be transferred only once.

Biodiesel Blended Fuel Tax Credit: Clarifies that the computation and eligibility requirements for the Biodiesel Blended Fuel Tax Credit for individual income tax will be completed on a site-by-site basis for tax years beginning on or after January 1, 2009.

Soy-based Transformer Fluid Tax Credit: Allows the Soy-Based Transformer Fluid Tax Credit for individual income tax to be available for costs incurred through December 31, 2008.

Film Qualified Expenditure Tax Credit: Provides an alternative format for submitting qualified expenditures relating to the Film Qualified Expenditure Tax Credit for individual income tax. Eliminates the restriction that tax credit certificates for the Film Qualified Expenditure Tax Credit and the Film Investment Tax Credit for individual income tax can be transferred only if the amount was \$1,000 or more.

Clarifies that the Veterans Trust Fund check-off and the joint Keep Iowa Beautiful Fund and Volunteer Firefighter Preparedness Fund check-off are only in effect for years prior to January 1, 2008.

Clarifies that the Child Abuse Prevention Program Fund check-off and the joint Veterans Trust Fund and Volunteer Firefighter Preparedness Fund check-off are in effect for tax years beginning January 1, 2008.

Repeals the deferral of income for start-up companies effective for tax years beginning on or after January 1, 2008.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

10

Fiscal Impact The change to the Biodiesel Blended Fuel Tax Credit in HF 2689 (2008 Renewable Fuel Tax Changes Act) is estimated to reduce General Fund revenues by \$105,000 the first year it is implemented (FY 2010). The change to the Wind Energy Production Tax Credit reflected in SF 2405 (2008 Renewable Energy Tax Credits Act) is estimated to increase General Fund revenues by \$3.5 million for FY 2010. The impact is an increase for the first year as a result of sales and income taxes paid during construction of the wind facilities. Over a 16-year period this change is estimated to reduce General Fund revenues by \$8.7 million. These estimates are the same as were used during the 2008 Legislative Session.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Natural Resource Commission

ARC 7145B

Rule Summary Changes rules related to the State Forest Nursery.

- Allows past purchasers to order less than the standard 500 plants with a minimum order of 100 plants per species.
- Allows commercial nurseries to purchase and resell nursery stock with roots attached.
- Increases the price on larger sizes of nursery stock.
- Creates provisions for selling a two-foot to four-foot bareroot sapling and improved seedling varieties.

Fiscal Impact The Department of Natural Resources (DNR) estimates there will be an increase of \$200,000 to the Forestry Conservation Fund annually beginning in FY 2009. The rule changes allow commercial nurseries to purchase and resell stock for a profit. The Department estimates the benefit to the private sector between \$50,000 to \$100,000 annually.

ARC 7146B

Rule Summary Establishes a Statewide daily bag limit for crappie and bluegill caught in public waters.

Fiscal Impact No fiscal impact.

ARC 7149B

Rule Summary Changes hunting rules and adjusts season dates and removes the Statewide two-day September Canada goose season. Adds an urban Canada goose zone around Cedar Falls and Waterloo. Adds parents and grandparents to the list of people eligible to hunt Canada goose on a landowner's farm in areas closed to Canada geese hunting in Clay, Dickinson, Emmet, Jackson, and Butler Counties. Clarifies the definition of hunter eligibility during the youth waterfowl season.

Fiscal Impact Minimal fiscal impact.

ARC 7148B

Rule Summary Allows the issuance of a special hunting license to nonresidents that are 21 years of age or younger with a severe physical disability or have been diagnosed with a terminal illness. The permit allows deer hunting in any season in any zone.

Fiscal Impact Minimal fiscal impact.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

11

ARC 7150B

Rule Summary Allows nonresidents that are 21 years of age or younger with a severe physical disability or have been diagnosed with a terminal illness to obtain a special license to hunt wild turkey in any zone during the spring hunting season.

Fiscal Impact Minimal fiscal impact.

ARC 7151B

Rule Summary Allows nonresidents that are 21 years of age or younger with a severe physical disability or have been diagnosed with a terminal illness to obtain a special license to hunt wild turkey in any zone during the fall hunting season.

Fiscal Impact Minimal fiscal impact.

ARC 7147B

Rule Summary Clarifies that all shooting permits and depredation licenses issued through the depredation program will have a one dollar charge for the Help Us Stop Hunger (HUSH) Program and a one dollar writing fee.

Fiscal Impact The Department estimates there are approximately 4,000 licenses issued. This will generate \$4,000 for the HUSH Program annually. Funds will be deposited in the Fish and Wildlife Trust Fund. The other \$4,000 will be used for administrative costs.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Natural Resources

ARC 7144B

Rule Summary Allows the Department of Natural Resources (DNR) to issue 75 nonresident deer and 25 nonresident turkey licenses at no cost for the purpose of promoting Iowa.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Public Safety

ARC 7180B

Rule Summary Adopts the requirements for "fire safe" cigarettes or reduced ignition propensity cigarettes. The General Assembly enacted HF 718 (Fire Safe Cigarettes Act) during the 2007 Legislative Session with an effective date of January 1, 2009. The delayed effective date was primarily due to a demand for the paper this type of cigarette is made from.

Fiscal Impact The fiscal impact cannot be determined at this time. For each cigarette listed in a certification, a manufacturer will pay a fee of \$100 to the State Fire Marshal's Office. Each cigarette is recertified every three years. House File 718 specified that the Cigarette Fire Safety Standard Fund under the control of the Department of Public Safety be created and moneys recovered from the assessment of civil penalties and certification fees be deposited in this Fund. The Act requires that the Fund be used by the Department for fire safety and prevention programs.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

12

ARC 7178B

Rule Summary Updates the adoption for the State Fire Marshal of the National Electrical Code from the 2005 edition to the 2008 edition.

Fiscal Impact No fiscal impact.

ARC 7179B

Rule Summary Updates the adoption for the Building Code Commissioner of the National Electrical Code from the 2005 edition to the 2008 edition.

Fiscal Impact No fiscal impact.

ARC 7177B

Rule Summary Updates the adoption for the Electrical Examining Board of the National Electrical Code from the 2005 edition to the 2008 edition.

Fiscal Impact No fiscal impact.

ARC 7176B

Rule Summary Establishes requirements, fees, and procedures for electrical inspections.

Fiscal Impact The fiscal impact cannot be determined at this time as the number of inspections by each type cannot be determined. The rules establish fees for various inspections based on category and ampere capacity.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Environmental Protection Commission

ARC 7140B

Rule Summary Modifies the voting requirements for the Environmental Protection Commission depending on the number of appointed members. Specifies that four votes are sufficient to take action when there are only seven appointed members.

Fiscal Impact No fiscal impact.

ARC 7143B

Rule Summary Changes air quality rules by adding definitions, adds electronic filing of permit applications and inventories, allows the operation of small, temporary generators during disaster periods, and defines construction permitting procedures.

Adds portable plant relocation notifications, Title V definitions and permitting procedures, Acid Rain Program provisions, emission standards for hazardous air pollutants (HAP), test methods and procedures, and Prevention of Significant Deterioration (PSD) permitting procedures.

Fiscal Impact No fiscal impact to the State.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

13

		ARC 7142B
Rule Summary	Rescinds the previous water use and allocation fee of \$25.00.	
Fiscal Impact	The fee generated approximately \$10,000 per year and was deposited in the General Fund. The Department is in the process of developing rules for the Water Use and Allocation Permit Program as required in HF 2672 (FY 2009 Water Use Permit Fees Act).	
		ARC 7152B
Rule Summary	Changes the wastewater rules by adding definitions and permit application forms. Adds language prohibiting certain discharges to domestic wastewater treatment facilities. Clarifies the procedure for calculating 30-day average percent removal. Allows the use of Total Maximum Daily Loads (TMDLs) to derive permit limits. Adds language on effluent reuse. Replaces language on bypasses and includes language on sanitary sewer overflow. Updates monitoring requirements for all National Pollutant Discharge Elimination Systems (NPDES) permits by increasing the base monitoring requirements and adding new monitoring requirements. Removes the monitoring table for inorganic waste discharges and replaces it with a rule-referenced document. Adds two classes of facilities that will be exempted from obtaining operation permits. Clarifies the language regarding the issuance and denial of operation and NPDES permits. Clarifies the public notice requirements for NPDES permits. Adds language on public requests to change permits. Adds language on the determination of significant noncompliance.	
Fiscal Impact	No additional revenue will be received by the Department of Natural Resources (DNR) for the rule changes. The rule changes will increase the monitoring of wastewater treatment facilities at State Parks and Department of Transportation rest areas, however, the cost is estimated to be less than \$100,000 per year.	
		70-Day Delay on Underground Storage Tank ARC 6892B
Rule Summary	Revises the 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 rules.	
Fiscal Impact	No fiscal impact to the State. The Iowa Underground Storage Tank Fund provides funding to eligible owners and operators to comply with the changes.	

STAFF CONTACT: Debra Kozel (Ext. 16767)

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

14

Department of Public Health

- ARC 7171B**
- Rule Summary** Updates and reorganizes the water treatment services product testing and the availability of product standards that define performance and testing procedures. Increases registration fees and testing agency evaluation fees. Sets time limits for late renewal of registrations. Establishes an appeal process.
- Fiscal Impact** The increase in fees is expected to double revenues, with an increase from \$65,000 per year to \$130,000 annually beginning in FY 2009. The revenues are retained with the Program for expenditure.
- ARC 7155B**
- Rule Summary** Establishes the organization of the Board of Plumbing and Mechanical Systems Examiners.
- Fiscal Impact** The Department will incur the usual Board and Subcommittee costs of an estimated \$20,000 annually. The Department of Public Health plans to hire four full-time (FTE) positions and has \$286,000 budgeted for the positions for FY 2009. Two of the positions have been filled. The General Assembly appropriated one-time start-up funds for FY 2009 of \$200,000 and the Department estimates revenues of \$450,000 for FY 2009 from future rules that will specify licensure fees. The revenue is expected to increase in future fiscal years to \$500,000 when annualized. Funds are retained by the Board. Possible proposed legislation by the Board may result in additional revenue.
- ARC 7169B**
- Rule Summary** Specifies standards for the education, training, and certification of emergency medical services (EMS) providers. Establishes a standard of conduct for training and for the providers. Updates disciplinary rules for providers. Eliminates the fee for retirement of an EMS certification.
- Fiscal Impact** Minimal fiscal impact as a result of the fee elimination.
- ARC 7170B**
- Rule Summary** Clarifies definitions for air medical services. Describes requirements for various modes of transportation of emergency medical services provider driver training. Requires providers of emergency medical services to notify the Department of Public Health when employees are terminated for certain reasons.
- Fiscal Impact** No fiscal impact to the State. Possible minimal fiscal impact to providers of emergency medical services dependent on current driving training programs.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

15

Held Over - ARC 7023B

Rule Summary Provides definitions and responsibilities for the State Dental Director and the Oral Health Bureau. The definition for “dental home” now includes “diagnostic, treatment, and emergency services.” As of October 6, 2008, the Department indicates that an agreement with the Dental Association has not yet occurred.

Fiscal Impact Possible fiscal impact is dependent on the relationship between the definitions and the cost of the services provided within the dental screening and other dental programs.

Held Over - ARC 6990B

Rule Summary Implements HF 2212 (Smoke Free Iowa Air Act).

Fiscal Impact The fiscal impact to the State is estimated at \$263,637 for FY 2009 and \$132,125 for FY 2010. Federal funds of \$104,000 are available for FY 2009. The remaining funds for FY 2009 are available from the appropriations in various Acts from the General Fund, the Healthy Iowans Tobacco Trust, and the Health Care Trust Fund. Fine revenues that are retained for the General Fund of the city or county where the citation is paid are estimated to be between \$5,700 and \$11,400 for FY 2009.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Department of Agriculture and Land Stewardship

ARC 7117B

Rule Summary Updates the reference book used for determining proper animal euthanasia from the “1993 Report of the American Veterinary Medical Association Panel on Euthanasia” to the “2007 American Veterinary Medical Association Guidelines on Euthanasia.”

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Banking Division – Department of Commerce

ARC 7175B

Rule Summary Implements HF 2556 (2008 Banking Division, Banking and Finance Bureau Act) related to pre-education and testing requirements for mortgage bankers and mortgage brokers. Implements new license renewal dates and fee structures consistent with the Nationwide Mortgage Licensing System and Registry (NMLSR). Two new fees are added. A \$30 fee for companies to add new licensed mortgage brokers and mortgage bankers to the NMLSR database and an additional \$40 per branch fee for companies obtaining or renewing a license to operate as a mortgage banker or mortgage broker in Iowa. Mandates provisions of the federal Secure and Fair Enforcement (SAFE) Mortgage Act related to new pre-testing requirements for individual applicants.

Fiscal Impact No fiscal impact to the State. Fee increases and additional testing and educational requirements are paid for by the individual applicant or the industry.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

16

Department of Corrections

ARC 7184B

Rule Summary Changes definitions and language to be consistent. Rescinds medical fees charged to offenders in the Institutions under the control of the Department of Corrections. The fees will remain in place pursuant to Departmental policy. Updates changes in Department policy numbers. Permits money to be sent to offender prison accounts using electronic transmission. Clarifies management of confidential mail. Clarifies the types of publications included in the term “publications” and management of the publications. Specifies the authorized reasons for denying a publication to a prisoner. Clarifies rules regarding furloughs.

Fiscal Impact No fiscal impact. The rules clarify existing practice.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Department of Elder Affairs

ARC 7139B

Rule Summary Moves rules relating to the Iowa Family Caregiver Support Program to a new Chapter.

Fiscal Impact No fiscal impact.

ARC 7128B

Rule Summary Terminates the rule initiated by the Notice of Intended Action published in July 2, 2008, Iowa Administrative Bulletin as ARC 6919B relating to the Family Caregiver Program. This terminates the rule as the result of receipt of substantial changes based on written and oral comments. The Department of Elder Affairs plans to submit a revised proposed rule in the future.

Fiscal Impact No fiscal impact.

ARC 7129B

Rule Summary Permits the Senior Living Coordinating Unit to appoint work groups to research and make recommendations on issues to be considered by the Unit. Reduces the number of required meetings of the Unit from six to four per year.

Fiscal Impact Minimal savings with possible fewer meetings per year.

ARC 7133B

Rule Summary Implements the Office of Substitute Decision Maker within the Department of Elder Affairs. Establishes standards and procedures for those appointed as substitute decision makers. Establishes the qualifications of consumers eligible for services.

Fiscal Impact No fiscal impact for the State unless funds are provided for the expansion of the Office. Plans for additional local offices and statewide services are not included in the existing budget.

ARC 7134B

Rule Summary Removes “long-term care service development” and “nursing facility conversion” from the definition of the Senior Living Program. Permits Area Agencies on Aging or a subcontractor of an Agency to use client participation for services funded from the Senior Living Trust Fund appropriation for persons with moderate income or above if the Agency or subcontractor does not utilize federal Older Americans Act funding for the same service.

Removes two prohibitions of use of funds from a Senior Living Trust Fund appropriation:

- The funding of the same service category when providing direct services.
- The contracting of federal Older American Act funds to a provider of the same service category.

Fiscal Impact Any funding possibly returned from limitations on expenditure categories may no longer be returned to the Senior Living Trust Fund due to the expansion of the fund utilization. The Department does not plan on increasing contracts for the specified services.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Iowa Public Employees' Retirement System

ARC 7138B

Rule Summary Implements provisions of SF 2424 (2008 Public Retirement Systems Act). Includes the following changes to the Iowa Public Employees' Retirement System (IPERS).

- Removes the current 0.4% cap on IPERS investment management expenses.
- Permits IPERS staff to adjust member contribution rates based on actuarial valuation.
- Adds County Jailers, Military Installation Officers, Emergency Medical Providers, and County Attorney Special Investigators to the IPERS protection occupation class.
- Eliminates bonuses and allowances from the definition of IPERS-covered wages except for legislative pay.
- Implements a free military service credit to qualified beneficiaries.
- Expands choices for buying service time for IPERS members.
- Clarifies eligibility for disability benefit payments for regular class members.
- Allows non-spouse beneficiaries to roll over a deceased member's death benefit to Roth IRAs for IPERS lump sum distributions.
- Makes other technical changes to outdated and unnecessary language.

Fiscal Impact The cost of moving four employee categories from regular member class to protection occupation class will have a fiscal impact of approximately \$7.8 million in increased employee and employer contributions for FY 2010. The impact of eliminating bonuses and allowances cannot be determined as they were not reported separately from salaries. Other changes will not have a fiscal impact to the State.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

18

Labor Services Division – Department of Workforce Development

ARC 7166B

Rule Summary Provides temporary rules for lifts in wind towers. The final rule amendments have been revised to make descriptions of plan and design documents coincide with current business practice.

Fiscal Impact Minimal fiscal impact. The Division of Labor Services will perform additional inspections each year. The estimated fees that will be generated from permits and inspections will cover the cost of the additional activities. The Elevator Revolving Fund will be used for the additional revenue and expenses. The rules provide for various fees including \$250 for the installation inspection and permit fee, with a \$150 re-inspection fee. Currently there are approximately 600 wind towers. The number containing lifts is not known.

ARC 7167B

Rule Summary Adopts the U.S. Department of Labor Occupational Safety and Health Administration (OSHA) standards and updates the OSHA standards.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Board of Pharmacy

ARC 7195B

Rule Summary Terminates the previously noticed rule action as a result of the Filed and Adopted by Emergency rule action for changes to various definitions relating to national certification of pharmacy technicians. Permits certification from two separate entities prior to July 1, 2010. Establishes requirements for national certification after July 1, 2010.

Fiscal Impact No fiscal impact.

ARC 7193B

Rule Summary Permits a hospital to provide generic prescription blanks or forms that may identify the hospital or pharmacy while prescribers practice in the hospital.

Fiscal Impact No fiscal impact.

ARC 7192B

Rule Summary Changes the requirements of sterile compounding practices by clarifying definitions and establishing procedures relating to the preparation and dispensing of pharmaceuticals.

Fiscal Impact No fiscal impact. Individual pharmacies may be impacted by the new requirements.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

19

ARC 7191B

Rule Summary Clarifies the requirements for a supervising pharmacist to perform in-process checks of compounding functions performed by a non-pharmacist and the requirements for documentation of that verification.

Fiscal Impact No fiscal impact.

ARC 7194B

Rule Summary Terminates the previous Noticed rule due to the Adopted by Emergency rule action for rules defining “mail order pharmacy” and exempts central fill pharmacies from the requirement of returning the central fill prescription to the originating pharmacy if the central fill pharmacy is a mail order pharmacy.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Professional Licensing and Regulation Bureau – Department of Commerce

ARC 7159B

Rule Summary Permits public disclosure of criminal history and prior misconduct information by the Iowa Accountancy Examining Board, the Engineering and Land Surveying Examining Board, the Architectural Examining Board, and the Real Estate Commission during the licensing process.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Professional Licensure Division – Department of Public Health

ARC 7165B

Rule Summary Removes the position of Secretary as an elected officer of the various Professional Licensure Boards. Clarifies the rights of a licensee to file for a hearing.

Fiscal Impact No fiscal impact to the State. Certain licensees may be impacted depending on results of the examinations and appeal process.

ARC 7156B

Rule Summary Board of Hearing Aid Dispensers: Rescinds rules that duplicate other existing rules. Eliminates outdated or duplicative language in the requirements for licensure, continuing education, and discipline. Revises grounds for discipline to be consistent with changes in Chapter 147, Code of Iowa.

Fiscal Impact No fiscal impact.

ARC 7158B

Rule Summary Board of Physical and Occupational Therapy Examiners: Updates requirements for physical and occupational therapy licensure. Removes duplicative language.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

20

ARC 7203B

Rule Summary Board of Psychology: Eliminates duplicative language for the Board of Psychology in multiple subject areas. Provides consistency in the administrative requirements for the certified health service provider. Requires new licensees to complete six hours of continuing education in legal aspects of practice and requires six hours of continuing education in ethical or legal aspects of practice for subsequent license renewal. Adds web-based reporting of licensee name and address changes.

Fiscal Impact No fiscal impact.

ARC 7157B

Rule Summary Board of Interpreter for Hearing Impaired Examiners: Eliminates duplicate language for the Board.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Utilities Division – Department of Commerce

ARC 7168B

Rule Summary Implements SF 2248 (2008 Statewide Video Franchise Alteration Act) related to Board-issued certificates of franchise authority for cable and video service providers. Authorizes the Iowa Utilities Board to issue certificates of franchise authority. Modifies the procedures that service providers must follow to notify the Board of service area modifications or transfers or terminations of certificates.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Department of Veterans Affairs

ARC 7162B

Rule Summary Makes multiple changes to eligibility for the Veterans Trust Fund benefit. Allows individuals injured on active duty prior to reaching 90 days of service to be eligible for assistance. Increases the income guidelines from 200.0% to 300.0% of the Federal Poverty Level. Removes burial accounts as an asset for eligibility purposes. Modifies the travel expenses provision to include spouses of eligible veterans. Permits funding for plane tickets, hotel charges, and per diems for out-of-State needs, and provides that hotel charges and a per diem are available for in-state needs when a spouse is visiting a veteran in a hospital. Provides that educational payments are made to the educational institution. Permits financial assistance to be paid for veterans that are under-employed due to a service connected injury or illness and creates a lifetime assistance limit of \$6,000 for unemployment assistance.

Allows funds to be used for the purchase of durable equipment or services to help veterans remain in their home. Eliminates the nursing home and home healthcare payment provisions. Eliminates funding to children of disabled or deceased veterans. Provides financial assistance for hearing, dental, vision, and prescription drug needs. Permits expenses related to ambulance and emergency room services for trauma patients that are veterans.

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

21

Allows vehicle repair assistance, housing repair assistance, and temporary housing assistance in emergency situations. Allows Veteran Service Organizations to receive up to 20.00% of the interest balance at the end of a fiscal year or \$150,000 (whichever is less) for maintaining accredited veteran service officers. Permits expenses related to establishing that a minor child is a dependent of a deceased veteran. Modifies the counseling provisions to set guidelines for those costs. Permits start-up funds for veteran service organizations desiring to create a new honor guard within their post. Permits the Veteran Affairs Commission to create a subcommittee for acting on Trust Fund benefit applications. Delegates the responsibility of approving honor guard applications to the Department of Veteran Affairs without Commission approval.

Fiscal Impact The amount expended from the Trust Fund is limited to the interest earned. It is expected that these rule changes will increase the amount of expenditures from the interest. Additional interest is expected to be earned from the revenue from the sale of veteran-related lottery tickets.

Rule Summary Eliminates the requirement that the protections for veteran commemorative property be placed in a cemetery and be at least 75 years old. Adds active veteran organizations to the definition of veteran organizations for the veteran commemorative property protections. **ARC 7163B**

Fiscal Impact No fiscal impact.

Rule Summary Adds veterans previously denied access to the Vietnam Veteran Bonus Program due to residency requirements. **ARC 7164B**

Fiscal Impact During the 2008 Legislative Session, it was estimated that 50 additional current lowans may benefit from this residency requirement change. The FY 2008 carryforward of funds from the Vietnam Veteran Bonus Program appropriation into FY 2009 is expected to be adequate for this cost of \$25,000 in addition to remaining bonuses that may be applied for by those eligible prior to this change.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

Board of Veterinary Medicine

Rule Summary Updates Board of Veterinary Medicine rules. Defines discipline standards and increases some fees. **ARC 7172B**

Fiscal Impact Minimal fiscal impact. The Department of Agriculture and Land Stewardship estimates the fee increases at \$5,000 for FY 2009 and \$15,000 for FY 2010 with funds deposited in the General Fund.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Administrative Rules – Fiscal Impact Summaries

October 14, 2008

22

Department of Workforce Development

ARC 7174B

Rule Summary Provides definitions and criteria for the implementation of SF 2160 (Unemployment Insurance Fact Finding Update Act). Requires the Iowa Workforce Development Department (IWD) to deny permission to specified representatives to represent employers in Unemployment Insurance matters if the IWD determines that the representative demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, defines maximum suspension criteria, and allows the IWD to reduce suspensions.

Fiscal Impact Minimal fiscal impact by reducing State expenditures.

STAFF CONTACT: Ron Robinson (Ext. 16256)
