



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.

Secretary of State

ARC 7209B

Rule Summary Terminates the rule that defined procedures for the establishment of voting centers, authorized in HF 2620 (School Board and Other Election Law Changes Act).

Fiscal Impact No fiscal impact.

ARC 7266B and 7264B

Rule Summary Removes obsolete requirements for use and testing of voting machines that will no longer be used in Iowa. Expands the ability of county auditors to use electronic ballot marking devices with additional optical scan voting systems.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)

Table of Contents			
Agency	Page	Agency	Page
Secretary of State	1	Board of Educational Examiners	16
Department of Economic Development	2	Historical Division	16
Department of Agriculture and Land Stewardship	7	Iowa Public Employees' Retirement System	17
Department of Education	8	Board of Medicine	17
Board of Pharmacy	8	Natural Resource Commission	18
Iowa Finance Authority	9	Board of Nursing	18
Department of Public Safety	11	Professional Licensing and Regulation Bureau	18
Department of Revenue	11	Professional Licensure Division – Public Health	19
Environmental Protection Commission	12	Real Estate Commission	20
Department of Human Services	13	Treasurer of State	20
College Student Aid Commission	16	Department of Veterans Affairs	20

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

2

Department of Economic Development

ARC 7276B

Rule Summary Makes sustainable community projects an eligible activity within the Iowa Community Development Block Grant (CDBG) Contingency Fund Program. Changes the amount of the Contingency Fund from 5.0% of all Block Grant Funds to \$1.0 million. Revises the rating criteria for the Program to include considerations relating to sustainability and site design. Authorizes current funding to be used for the CDBG Downtown Revitalization Fund to assist in the revitalization of downtown areas.

Fiscal Impact No fiscal impact.

ARC 7275B

Rule Summary Permits the Department of Economic Development to reallocate funding from one of the funding categories to a different one. Currently 20.0% of the CDBG funding is reserved for Economic Development Set-Aside (EDSA) business assistance projects. This change allows the Department to reallocate up to \$5.0 million of currently unobligated EDSA funds to the Contingency Fund. The reallocated funds will be used for disaster recovery business assistance projects.

Fiscal Impact No fiscal impact.

ARC 7231B

Rule Summary Permits the Department to allocate up to \$5.0 million from the Iowa Values Fund each fiscal year to the Physical Infrastructure Assistance Program (PIAP) for projects that do not directly create or retain jobs. However, the projects must include activities that encourage future job creation. Revises eligibility requirements to allow the projects to receive PIAP funds and requires the Department to establish performance measures for projects receiving funds under this allocation. Waives the required wage threshold and revises collateral requirements for PIAP projects funded through this allocation of funds. Changes the Economic Development Set Aside (EDSA) Program wage threshold to conform to other rules.

Fiscal Impact The \$5.0 million allocation from the Iowa Values Fund is expected to be expended during FY 2009 on the Program.

ARC 7232B

Rule Summary Adds new definitions and incorporates new green development standards and criteria into the Housing Program that consists of CDBG and Home Investment Partnerships Program funding. Adds a new eligible activity development subsidy to cover some of the additional costs of green development. Increases the maximum award amounts for housing activity categories. The final rule amendments have been revised to increase the per unit limitation on technical services costs without raising the maximum per unit subsidy, including the technical services costs.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

3

ARC 7274B

Rule Summary Waives the match requirement for awards issued October 1, 2008, through September 30, 2009, from Participating Jurisdictions (Cedar Rapids, Iowa City, Des Moines, Waterloo, Council Bluffs, Davenport, and Sioux City) to facilitate disaster recovery housing projects. Without the waiver the required match would be at least equal to 25.0% of the total funds requested.

Fiscal Impact No fiscal impact. Project size may be smaller without the required match.

ARC 7247B

Rule Summary Adds definitions, allows tax credit certificates to be transferred regardless of amount, and expands the acceptable report formats for film and television projects.

Fiscal Impact No fiscal impact.

ARC 7237B

Rule Summary Allows Regional Sports Authority District applications to be accepted, reviewed, and certified on an annual basis and prohibits the Department from certifying more than 10 districts each year.

Fiscal Impact No fiscal impact.

ARC 7248B

Rule Summary Terminates the previous rule establishing a limit on the total amount of Targeted Jobs Withholding Tax credits awarded based on the total amount of depreciable assets in a project.

Fiscal Impact No fiscal impact.

ARC 7249B

Rule Summary Establishes a limit on the total amount of Targeted Jobs Withholding Tax credits awarded based on the total amount of depreciable assets in a project. Permits required financial support to include either tax abatement or cash or in-kind grant equivalent to tax abatement. Requires applications to be presented to the Iowa Department of Economic Development Board for comment prior to the Department's approval.

Fiscal Impact No fiscal impact.

ARC 7236B and 7235B

Rule Summary

Implements a Jumpstart Small Business Disaster Recovery Financial Assistance Program to provide financial assistance to businesses that sustained physical damage or economic loss due to the 2008 natural disasters and have received disaster loans from the United States Small Business Administration (SBA), a financial institution, or an economic development corporation. Establishes eligibility requirements, describes the application process, and identifies the types and amounts of assistance available.

The Program provides assistance to eligible businesses located in parts of Iowa declared disaster areas by the President of the United States. The Program provides assistance in repaying SBA loans and funding to promote sustainable rebuilding efforts by providing working capital to ensure the business survival and capital for acquisition of energy-efficient equipment. Covered expenses incurred by an eligible business prior to the effective date of the rules are eligible for reimbursement.

The Program loans are limited to 25.0% of the SBA or bank loan, up to \$50,000, including \$5,000 to reimburse businesses for the full cost of purchasing energy-efficient equipment.

Loan Repayments - The Program loans will be forgiven if the business re-opens within twelve months from the date of the award, and if applicable, proof of the installation of the energy-efficient equipment is provided.

Fiscal Impact

The Program provides \$20.0 million in business financial assistance primarily in the form of forgivable loans. The Department of Economic Development (DED) will distribute the funds through local government participants, including certain Iowa councils of governments (COG), cities, and counties. The funding is provided from the following sources:

<u>Amount</u>	<u>Funding Source</u>
\$ 5,000,000	Iowa Power Fund
10,000,000	Iowa Values Fund
5,000,000	FY 2008 Community Development Block Grants
<u>\$20,000,000</u>	Total

The funds are distributed based on the amount of disaster loans award by the SBA in each area. The funds are distributed to local governments, with the counties belonging to each identified COG, as follows:

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

5

<u>Amount</u>	<u>Participant Recipients</u>
\$ 480,000	North Iowa Area COG <i>Boone, Calhoun, Cerro Gordo, Floyd, Franklin, Hamilton, Hancock, Hardin, Humboldt, Jasper, Kossuth, Marshall, Mitchell, Pocahontas, Polk, Poweshiek, Story, Tama, Webster, Winnebago, Worth, and Wright.</i>
1,300,000	Iowa Northland Regional COG <i>Allamakee, Black Hawk, Bremer, Buchanan, Butler, Chickasaw, Clayton, Fayette, Grundy, Howard, and Winneshiek.</i>
1,100,000	East Central Intergovernmental Association <i>Cedar, Clinton, Delaware, Des Moines, Dubuque, Henry, Jackson, Lee, Louisa, Muscatine, and Scott.</i>
1,900,000	East Central Iowa COG <i>Benton, Johnson, Jones, Linn and Washington.</i>
97,000	Southern Iowa COG <i>Adair, Adams, Appanoose, Clarke, Davis, Decatur, Jefferson, Keokuk, Lucas, Madison, Mahaska, Marion, Monroe, Ringgold, Taylor, Union, Van Buren, Wapello, Warren, and Wayne.</i>
9,000	Southwest Iowa Planning Council <i>Audubon, Buena Vista, Carroll, Cass, Clay, Crawford, Dallas, Dickinson, Fremont, Greene, Guthrie, Harrison, Ida, Mills, Monona, Montgomery, Osceola, Page, Plymouth, Pottawattamie, Sac, Shelby, and Woodbury.</i>
619,000	Cedar Falls
12,300,000	Cedar Rapids
147,000	Des Moines
1,500,000	Iowa City
456,000	Waterloo
<u>\$20,000,000</u>	Total

The DED may reallocate all or part of any remaining portion of distributed funds if not obligated to eligible businesses for eligible purposes by April 30, 2009

The President has declared 86 counties in Iowa disaster areas. The SBA has approved more than \$150.0 million in assistance for homeowners and approximately \$80.0 million for businesses. There have been approximately 2,000 applicants approved for Disaster Unemployment Assistance with approximately \$3.0 million disbursed.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

6

ARC 7273B

Rule Summary Permits both for profit and non-profit businesses are eligible to apply for assistance. The amendments further clarify that a business includes a commercial landlord.

Expands the list of eligible lenders to include a rural electric or telephone cooperative with an established Economic Development Administration (EDA) or U.S. Department of Agriculture (USDA) based revolving loan fund program or intermediary re-lending program.

Increases the maximum amount available to an eligible business from \$50,000 to \$55,000. Of this total amount, a maximum amount of \$5,000 is available for energy-efficient purchases and installation.

Limits the reimbursement for energy-efficient purchases to the purchase price less any utility rebates received. Permits reimbursement for installation costs. Requires an eligible business to have an executed loan document from an eligible lender to qualify for assistance.

Fiscal Impact A total of \$20.0 million has been made available for the Jump Start Program. Please refer to the information for ARC 7235B and 7236B.

ARC 7234B

Rule Summary Corrects misidentified Standard Occupational Classifications and requires the funding for Information Technology Training Programs to be used for companies in the targeted industries sectors. Modifies the required application information for the Program.

Fiscal Impact The Department is expected to expend \$500,000 of the FY 2009 appropriation from loan repayments or recapture of other awards from federal economic stimulus funds.

ARC 7245B

Rule Summary Redefines the formats allowed for networking events established in HF 829 (Commercialization of Businesses in Targeted Industry Areas Act) supported by the Targeted Industries Networking Fund. Requires specified topics for discussion and opens the events to participation by venture capitalists and community colleges. Increases the maximum award to \$5,000 per event.

Fiscal Impact Approximately \$160,000 is expected to be available from loan repayments or recapture of other awards from federal economic stimulus funds and expended on sponsorship of connectivity events to bring together private industry and public sector researchers to facilitate technology transfer.

ARC 7233B

Rule Summary Specifies detail about the application review process, including information about the minimum score required for an application to be considered for funding to support student competition geared toward the targeted industries sectors.

Fiscal Impact The Department is expected to expend \$130,000 of the FY 2009 appropriation from loan repayments or recapture of other awards from federal economic stimulus funds.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

7

ARC 7246B

Rule Summary Expands the definition of eligible applicants for the Targeted Industries Career Awareness Fund. Provides details for the application review process, including information about the minimum score required for an application to be considered for funding to be used to support a statewide public awareness campaign to educate students, parents and educators about career opportunities within the targeted industries.

Fiscal Impact The Department is expected to expend \$250,000 of the FY 2009 appropriation from loan repayments or recapture of other awards from federal economic stimulus funds.

ARC 7243B

Rule Summary Implements three programs authorized by HF 829 (Commercialization of Businesses in Targeted Industry Areas Act). Describes the purpose of the programs, the application submittal, review, and approval procedures, and the contract administration provisions.

Fiscal Impact Approximately \$880,000 will be available from loan repayments or recapture of other awards from federal economic stimulus funds and expended as follows:

- \$100,000 for studying and planning for the creation of a statewide lean manufacturing institute.
- \$500,000 for studying, planning, and creation of a statewide supplier capacity and product database.
- \$280,000 for recruitment of out-of-state personnel to fulfill the executive-level management and operations needs of new and expanding companies in the targeted industries.

ARC 7244B

Rule Summary Incorporates the new River Enhancement Community Attraction and Tourism (RECAT) Fund requirements established by SF 2430 (River Enhancement Community Attraction and Tourism Act). Permits the Department Director to name a designee to the Vision Iowa Board.

Fiscal Impact Senate File 2430 (Economic Stimulus Act) appropriated \$2.0 million in interest or earnings on moneys in the federal Economic Stimulus and Jobs Holding Fund to the RECAT Fund and SF 2432 (FY 2009 Infrastructure Appropriations Act) appropriated an additional \$10.0 million from the Rebuild Iowa Infrastructure Fund (RIIF) to the RECAT Fund. The \$12.0 million was expected to be expended during FY 2009 and has now been transferred to support the Jumpstart Disaster Recovery Housing Assistance Program. That Program has rules filed under the Iowa Finance Authority.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Department of Agriculture and Land Stewardship

ARC 7283B

Rule Summary Includes moose as an animal considered vulnerable to chronic wasting disease.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

8

ARC 7282B

Rule Summary Updates references to federal regulations of the Meat and Poultry Inspection Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Education

ARC 7211B

Rule Summary Requires school districts offering a Home School Assistance Program (HSAP) to report the list of students enrolled in the HSAP with the Department of Education as required by HF 2700 (FY 2009 Standings Appropriations Act). Requires the report be filed by November 1 of each school year. Requires District personnel providing instruction through the HSAP to be appropriately licensed. Provides other technical changes regarding competent private instruction rules.

Fiscal Impact No fiscal impact.

ARC 7212B

Rule Summary Updates rules regarding the statutory ban on corporal punishment and the exceptions to reflect the latest research and provide more detail regarding allowable physical confinement and detention for public schools, accredited nonpublic schools, and area education agencies.

Fiscal Impact No fiscal impact.

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

Board of Pharmacy

ARC 7230B

Rule Summary Clarifies the reactivation process for a delinquent license to practice pharmacy in Iowa and the meaning of active license status. Clarifies exemptions from continuing education requirements for individuals engaged in health-related graduate studies and relating to application for credit for non-accredited programs. Expands the renewal period for obtaining continuing education credits. Defines the penalty for failure to timely complete the required continuing education.

Fiscal Impact No fiscal impact.

ARC 7241B

Rule Summary Eliminates the option of maintaining the name of the distributor or the actual drug product dispensed as a means of identifying the specific drug product. Requires the pharmacy's prescription dispensing record to include either the National Drug Code or the name of the manufacturer of the actual drug product dispensed.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

9

ARC 7228B

Rule Summary Permits the use of the InstyMeds drug dispensing system in certain hospital emergency departments. (InstyMeds is a trademark name for an ATM-style dispenser that permits dispensing of medications at the point-of-care for the consumer as in an emergency waiting room.) Prohibits the system if the hospital is located within 15 miles of a pharmacy that provides 24-hour outpatient pharmacy services. Limits the system, except for antimicrobials, from dispensing quantities that exceed a 72-hour supply of the prescribed drug. Specifies certain requirements for patient counseling, patient freedom of choice of pharmacy services, patient identification, prescription labeling, policies and procedures, equipment placement and security, and retrospective review of drugs dispensed utilizing the InstyMeds system.

Fiscal Impact No fiscal impact.

ARC 7229B

Rule Summary Permits a pharmacy to outsource the filling or processing of a patient's prescription without the patient's written authorization. Requires the pharmacy to display a sign and to provide written notice to patients prior to implementing a centralized filling or processing program or prior to providing pharmaceutical services to a new patient.

Fiscal Impact No fiscal impact.

ARC 7242B

Rule Summary Establishes the process for the Board of Pharmacy to undertake when a certificate of noncompliance from the centralized collection unit of the Department of Revenue is received. Defines terms used in the rules. Establishes procedures for the denial, suspension, or revocation of a license or registration. Establishes nonpayment of a State debt as evidenced by a certificate of noncompliance issued by the Department of Revenue as one of the grounds for disciplinary action by the Board.

Fiscal Impact Minimal fiscal impact. Additional costs incurred by the Board would be offset by additional fee revenues.

STAFF CONTACT: Deborah Helsen (Ext. 16764) Sue Lerdal (Ext. 17794)

Iowa Finance Authority

ARC 7257B

Rule Summary Adopts the current State Housing Trust Fund Allocation Plan for the Project-Based Housing Program.

Fiscal Impact No fiscal impact to the State.

ARC 7254B and 7253B

Rule Summary

Creates a Jumpstart Disaster Recovery Housing Assistance Program to provide assistance to eligible residents, located in parts of Iowa declared disaster areas by the President of the United States. The Program provides down payment assistance, repair and rehabilitation assistance, assistance in purchasing energy-efficient appliances and fixtures, and interim mortgage payment assistance for persons awaiting a buyout of disaster-affected homes. Covered expenses incurred by an eligible resident prior to the effective date of the rules are eligible for reimbursement.

Down Payment Assistance – Individual owners of homes destroyed or damaged beyond reasonable repair will be offered down payment assistance of up to \$50,000, not to exceed 25.0% of the purchase price, and reimbursement of up to \$10,000 for the full cost of purchasing energy-efficient furnaces and boilers, appliances, air conditioners, hot water heaters, windows, and insulation. The down payment assistance will not exceed the amount owed on the property. Households eligible for this assistance may also qualify for Interim Mortgage Assistance.

Repair and Rehabilitation Assistance – Individual owners of homes not slated for buyouts may receive assistance to make repairs of up to \$50,000, not to exceed 60.0% of the assessed value prior to the disaster, and reimbursement of up to \$10,000 for purchasing energy-efficiency equipment. Individuals eligible for this assistance are not eligible for assistance under either the Down Payment Assistance or Interim Mortgage Assistance provision.

Interim Mortgage Assistance - Individuals in an area submitted to the State for possible buyout of their damaged homes are eligible for assistance of up to \$1,000 a month to maintain a mortgage on the damaged property for a period not to exceed 12 months. The Assistance is secured by a retention agreement and is payable upon the buyout of the property. If the Iowa Homeland Security and Emergency Management Division determines the property will not be acquired, the resident will be eligible for Repair Assistance, with any Interim Mortgage payments applied to the maximum repair amount limitation.

Loan Repayments - The loans are forgivable over a ten-year period. One tenth of the total principal amount loaned is forgiven following each full year the eligible resident owns the home. Any principal of a forgivable loan that has not yet been forgiven is due upon the sale of the property.

Fiscal Impact

The Program provides \$20.0 million in housing financial assistance primarily in the form of forgivable loans. The Iowa Finance Authority will distribute the funds through local government participants, including certain Iowa councils of governments (COG), cities, and counties. A total of \$20.0 million is provided as outlined under ARC 7236B and 7235B (Department of Economic Development).

The funds are distributed based on the funds awarded by the Federal Emergency Management Agency (FEMA) under the Housing Assistance Program. The funds are distributed to local governments, with the counties belonging to each identified COG. The distribution is outlined under ARC 7236B and 7235B (Department of Economic Development).

The Authority may reallocate all or part of any remaining portion if not used within one-year, or following any three-month period during which a participant does not request a draw of funding. Any loan amounts repaid will be deposited in the State Housing Trust Fund.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

11

The President has declared 86 counties in Iowa disaster areas and 38,000 Iowa residents have been displaced for a period of time. There have been approximately 39,000 individual applications for assistance to FEMA. There have been more than 22,000 households approved for housing assistance totaling \$113.7 million.

- ARC 7281B**
- Rule Summary** Amends the Jumpstart Program to provide local government participants with a guaranteed administrative fee up front equal to 1.5% of the initial allocation that will be applied to the final administrative fee of 5.0%. Specifies that loans for interim mortgage assistance will be forgivable.
- Fiscal Impact** The fiscal impact is unknown since the number of forgivable loans has not yet been determined.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Department of Public Safety

- ARC 7277B**
- Rule Summary** Delays the effective date of the new requirement for dual sensor smoke detectors in single and multi-family residential buildings for six months, until April 1, 2009, to reflect a lack of availability of this type of smoke detector.
- Fiscal Impact** No fiscal impact on the State.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Department of Revenue

- ARC 7256B**
- Rule Summary** Implements a statute of limitations of five years prior to the date of an audit on sales and use tax transactions involving the furnishing of lawn care, landscaping, and tree trimming and removal services.
- Fiscal Impact** Minimal impact. The statute of limitations prohibits the Department of Revenue from pursuing debt that otherwise would have been eligible for collection.

- ARC 7255B**
- Rule Summary** Provides wind energy tax credits that may be applied against the replacement tax from electric companies. Extends the period of time by one year for electric companies to claim a reimbursement of replacement tax paid for using soy-based transformer fluid. Provides property tax exemptions on buildings and land used for speculative shell building purposes. Provides property tax exemptions for web search portal businesses. Requires privately-owned libraries and art galleries to file a claim for property tax exemption.
- Fiscal Impact** No fiscal impact. Impact from the web search portal business property tax exemption will not begin until FY 2012 and cannot be determined at this time.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

12

ARC 7259B

- Rule Summary** Implements a new exemption from sales and use tax on specified purchases, property and services made by a qualifying web search portal business.
- Fiscal Impact** For FY 2009, General Fund revenues are estimated to decrease by \$0.6 million. For FY 2010, the estimated impact is a decrease of \$2.0 million and for FY 2011 and FY 2012 the estimated impact is a decrease of \$2.4 million and \$2.1 million respectively. The estimated decrease to revenue for local governments is:
- \$200,000 for FY 2009.
 - \$700,000 for FY 2010.
 - \$800,000 for FY 2011.
 - \$1.1 million for FY 2012
- This impact is the same as was used during the 2008 General Assembly when enacted.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Environmental Protection Commission

ARC 7220B

- Rule Summary** Increases the maximum Title V operating permit fee from \$39 to \$62 per ton. For FY 2010, the fee will be set by the Environmental Protection Commission and will be between \$39 and \$62 per ton.
- Fiscal Impact** Minimal fiscal impact to the State. The fiscal impact to owners and operators will vary as the amount paid depends on the amount of actual air emissions reported for the calendar year and the fee amount that will be set for FY 2010. The fees collected are deposited in the Air Contaminant Source Fund. In FY 2008, \$6.8 million was deposited in the Fund.

ARC 7218B

- Rule Summary** Reissues the federal Army Corps of Engineers Regional Permit 7 that authorizes work on bridges and road crossings. Current permit expires on December 31, 2008, and the rule change allows the reissuance.
- Fiscal Impact** No fiscal impact.

ARC 7210B

- Rule Summary** Provides for grants to independent beverage container redemption centers. House File 2700 (FY 2009 Standings Appropriations Act) permits the Department of Natural Resources (DNR) to award grants of up to \$15,000 to beverage redemption centers. The DNR awarded 95 grants to Iowa redemption centers. The complete listing is available at the following website:
http://www.iowadnr.com/waste/recycling/files/rcgrant_winners.pdf.
- Fiscal Impact** The DNR received a \$1.0 million General Fund appropriation for FY 2009 to establish an Independent Redemption Center Grant Program.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

13

ARC 7219B

Rule Summary Requires retailers selling oil filters to either post a sign informing customers of the nearest collection site for used oil filters or to accept used oil filters for recycling. Requires businesses to recycle used oil filters. This rule change resulted from the passage of HF 2668 (Motor Engine Oil Filter Recycling Act).

Fiscal Impact Minimal fiscal impact. The DNR estimates expenditures for the Oil Filter Recycling Program will be \$60,000 per year.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Department of Human Services

ARC 7267B

Rule Summary Eliminates quarterly reporting for families with earned income. Requires families receiving funds from the Family Investment Program (FIP) to undergo semiannual reporting. Clarifies that when a FIP participant is approved for foster care or subsidized adoption assistance while staying in the same home, FIP is cancelled effective the first of the next month following the date approval of the foster care or subsidized adoption assistance is entered into the computer system of the Department of Human Services.

Fiscal Impact The estimated cost to the Temporary Assistance for Needy Families Fund (TANF) and the General Fund is \$123,000 for FY 2009 and \$272,000 for FY 2010. No funding has been provided by the General Assembly for this change. This would eliminate carryforward of funds from FY 2009 to FY 2010.

ARC 7261B

Rule Summary Requires the Department to convene the Mental Health Risk Pool Board in November instead of February and process applications from counties earlier.

Fiscal Impact No fiscal impact.

ARC 7263B

Rule Summary Implements an Emergency Mental Health Crisis Services System to provide a variety of emergency services to reduce the escalation of mental health crisis situations.

Fiscal Impact Senate File 2425 (FY 2009 Health and Human Services Appropriations Act) appropriated \$1.5 million to begin five regional grants beginning in January 2009. The System will cost the General Fund \$3.0 million in FY 2010 to annualize the grants and replace the one-time FY 2009 funding.

ARC 7265B

Rule Summary Implements a Children's Mental Health Services System to provide a variety of children's mental health services to prevent or reduce utilization of more costly, restrictive care and to keep children in their homes.

Fiscal Impact Senate File 2425 (FY 2009 Health and Human Services Appropriations Act) appropriated \$500,000 to start five regional grants beginning in January 2009. The System will cost the General Fund \$1.0 million in FY 2010 to annualize the grants and replace the one-time FY 2009 funding.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

14

	ARC 7287B
Rule Summary	Updates requirements for participants in the PROMISE JOBS work and training program based on changes to federal regulations for the Temporary Assistance for Needy Families (TANF) Program.
Fiscal Impact	No fiscal impact.
	ARC 7223B
Rule Summary	Rescinds rules relating to the Rent Subsidy Program to reflect the transfer of administration of the Program from the Department of Human Services to the Iowa Finance Authority.
Fiscal Impact	No fiscal impact.
	ARC 7269B
Rule Summary	Terminates a rule requiring a process for incident reporting and policies on restraints, restrictions, and behavioral interventions for all Home and Community Based Services (HCBS) programs. The Department received several comments on the Notice of Intended Action and needs additional time to finalize the issues presented and coordinate with other developments around standards for incident reporting and restraints. These amendments will be re-noticed at a later date.
Fiscal Impact	No fiscal impact.
	ARC 7272B
Rule Summary	Creates a new Medicaid provider type for occupational therapists in independent practice.
Fiscal Impact	Minimal fiscal impact.
	ARC 7224B
Rule Summary	Increases provider rates by 1.00% for the majority of Medicaid providers and 2.00% for Consumer Directed Attendant Care (CDAC) providers.
Fiscal Impact	The provider rate increases are estimated to cost \$6.8 million in FY 2009 and \$7.0 million in FY 2010 with 3.00% inflation and utilization increases. Funding for FY 2009 was provided in Senate File 2425 (FY 2009 Health and Human Services Appropriations Act).
	ARC 7227B
Rule Summary	Provides changes in licensing and registration standards for child care facilities as required by the House File 2212 (Smoke Free Air Act).
Fiscal Impact	No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

15

ARC 7225B

Rule Summary Increases the child care reimbursement rate by 2.00% for licensed child care centers and registered child development homes starting October 1, 2008.

Fiscal Impact For FY 2009, the estimated cost is \$1,546,486. That amount was included in SF 2425 (FY 2009 Health and Human Services Appropriations Act). For FY 2010, there will be an expectation that the FY 2010 appropriation include increased funding for the three months not included in FY 2009 of an estimated \$515,495.

ARC 7226B

Rule Summary Aligns the rule relating to the Department's responsibility to visit children in foster care with Title IV-B of the federal Social Security Act. Requires the assigned Department service worker to visit each child in out-of-home placement at least monthly.

Fiscal Impact The cost can not be estimated. Additional child welfare workers may be needed. An additional \$1.0 million was provided in SF 2425 (FY 2009 Health and Human Services Appropriations Act) for the State portion of additional staff. Staffing costs are typically matched 50.0%-50.0% with federal funding.

Special Review - 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.

Special Review - 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.

Special Review - 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 carry over of Family Investment Program (FIP) funds from FY 2009 to FY 2010.

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

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

16

College Student Aid Commission

ARC 7251B

Rule Summary Limits All Iowa Opportunity Foster Care Grant awards to the full cost of attendance as determined by the college or university minus other federal aid, state aid, college or university gift aid, and work study provided to the student.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Board of Educational Examiners

ARC 7284B

Rule Summary Reorganizes various chapters of rules by category of educator or license process. Makes no substantive changes to the rules.

Fiscal Impact No fiscal impact.

ARC 7252B

Rule Summary Eliminates the issuance of a non-renewable, one-year Class A license to out-of-state applicants that have not yet passed the test in their home state. The current rules anticipate that the applicant will pass their home state test within the year and achieve a standard license. However applicants have used the Iowa license to get a license in their own state without having to pass the testing requirements.

Fiscal Impact No fiscal impact.

ARC 7250B

Rule Summary Clarifies what is considered administrative experience for purposes of licensure for superintendents.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

Historical Division – Department of Cultural Affairs

ARC 7278B

Rule Summary Creates additional awards to recognize citizen achievements in support of Iowa's history. Establishes the process for nomination of individuals and organizations for these awards. Establishes the process for review and evaluation of nominations for the awards.

Fiscal Impact Minimal fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

17

ARC 7270B

Rule Summary Clarifies the procedures for the public to access the Historic Preservation and Cultural and Entertainment District Tax Credits.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Iowa Public Employees' Retirement System

ARC 7262B

Rule Summary Amends the definition of covered wages, relating to 2008 legislation (SF 2424 - Public Pension Omnibus Act), removing bonuses and allowances from that definition. Even if no longer included in the definition of covered wages, non-covered wage payments such as bonuses and allowances will be counted toward the retired re-employed member earnings limit and provides retired re-employed members with more flexibility in choosing the amount of death benefits with respect to the re-employment period.

Fiscal Impact The fiscal impact from removing bonuses and allowances from the definition of covered wages cannot be determined. The employers within IPERS do not report bonuses and allowances in an identifiable manner when reporting covered wages. Therefore it is not possible to determine the impact on the State and other IPERS covered employers, by way of reduced employer contributions on covered wages, or the impact on employees, either by way of reduced employee contributions or by reduced retirement benefits due to an overall final average salary. There is no fiscal impact to the State of the other two parts of this rule change.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Board of Medicine

ARC 7240B

Rule Summary Makes multiple definition and other various technical changes for the Board of Medicine.

Fiscal Impact No fiscal impact.

ARC 7239B

Rule Summary Adds a definition for “observer” under the supervision of an Iowa licensed physician. Specifies duties for the supervision.

Fiscal Impact No fiscal impact. Minimal savings may occur for the observer or the institution that the observer is affiliated with since a temporary license is no longer required.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

18

ARC 7238B

Rule Summary Permits the Board of Medicine to deny issuance or revoke a license upon receipt of a certificate of noncompliance from the Centralized Collection Unit of the Department of Revenue.

Fiscal Impact Minimal fiscal impact. It is expected that minimal licensure proceedings will take place as a result of this denial or revocation permission.

STAFF CONTACT: Deborah Helsen (Ext. 16764) Sue Lerdal (Ext. 17794)

Natural Resource Commission

ARC 7216B

Rule Summary Technical correction related to trespassing while deer hunting resulting from the passage of HF 2612 (Natural Resources, Conservation, and Recreation Act).

Fiscal Impact No fiscal impact.

ARC 7217B

Rule Summary Eliminates the 300 horsepower motor restriction on Lake Icaria. This was requested by the Adams Country Conservation Board.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

Board of Nursing

ARC 7215B

Rule Summary Terminates the proposed rule that prohibited registered nurses and advanced registered nurse practitioners from administering anesthetic agents.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764) Sue Lerdal (Ext. 17794)

Professional Licensing and Regulation Bureau – Department of Commerce

ARC 7213B

Rule Summary Implements the provisions of SF 2428 (2008 Delinquent Debt Collection Act) relating to the revocation of certain professional licenses if delinquent debt is owed to the State.

Fiscal Impact Minimal increase to the State from possible collection of delinquent debt from licensees.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

19

Professional Licensure Division – Department of Public Health

ARC 7268B

Rule Summary Psychology: Establishes a reactivation fee for certification as a health service provider. Provides that the reactivation fee is the same as the renewal fee. Specifies that the fee will apply to psychologists wishing to reactivate the psychology license and the certification as a health service provider.

Fiscal Impact Minimal fiscal impact.

ARC 7286B

Rule Summary Behavioral Science: Updates licensure and disciplinary requirements. Adds requirements for temporary licensure. Rescinds duplicative language.

Fiscal Impact No fiscal impact.

ARC 7221B

Rule Summary Cosmetology: Clarifies requirements for licensure documentation. Updates education requirements for instructors. Amends training requirements for certification. Reduces hours of continuing education required for license reactivation. Requires salons to comply with HF 2212 (Smoke Free Air Act).

Fiscal Impact No fiscal impact.

ARC 7214B

Rule Summary Mortuary Science: Amends the definition of “authorized person” for a funeral director to rely on. Specifies a licensure exception for certain funeral directors licensed in another state. Clarifies that every funeral and cremation establishment is required to hold a license issued by the Board of Mortuary Science. Updates certain discipline penalties.

Fiscal Impact No fiscal impact.

ARC 7258B

Rule Summary Massage Therapy: Rescinds duplicated sections of rules.

Fiscal Impact No fiscal impact.

ARC 7285B

Rule Summary Nursing Home Administrators: Technical corrections for consistency. Rescinds duplicative language. Provides for Web-based reporting of name and address changes by licensees.

Fiscal Impact No fiscal impact.

Administrative Rules – Fiscal Impact Summaries

November 7, 2008

20

ARC 7280B

Rule Summary Speech Pathology and Audiology: Updates speech pathology and audiology licensure and temporary licensure requirements. Removes duplicative language.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764) Sue Lerdal (Ext. 17794)

Real Estate Commission

ARC 7271B

Rule Summary Changes the tax identification number (TIN) for real estate broker trust accounts and changes the address for trust account interest deposits to the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deborah Helsen (Ext. 16764)

Treasurer of State

ARC 7279B

Rule Summary Removes outdated language from the Iowa Educational Savings Plan Trust provisions. The eliminated language relates to returning or holding a payment until a participation agreement is submitted and approved. Under current rules, payments cannot be received until a participation agreement is in place.

Fiscal Impact No fiscal impact.

STAFF CONTACT: David Reynolds (Ext. 16934)

Department of Veterans Affairs

ARC 7222B

Rule Summary Modifies rules for the War Orphans Educational Assistance Fund (Children of Deceased Veterans Education Program). Requires the veteran to live in Iowa prior to the death of the veteran. Requires the child to begin utilizing the educational benefits before reaching the age of 26 and to finish schooling before reaching the age of 31. Requires the assistance to be used only for tuition costs. Requires the funds be paid directly to the institution of higher education. Sets academic standards for students to receive funding. Permits education at all postsecondary institutions in Iowa. Limits funding to five years of assistance at the highest tuition rate of the three Board of Regents Universities.

Fiscal Impact Funding was provided in HF 2425 (FY 2009 Health and Human Services Appropriations Act). Funding was initially appropriation beginning in FY 2007 and has not yet been used.

STAFF CONTACT: Sue Lerdal (Ext. 17794)
