



Fiscal Services Division

ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

December 10, 2013

Iowa Code section 17A.4(4) 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 viewed at http://staffweb.legis.state.ia.us/lfb/docs/Admin_Rules/arfiscal_notes.htm

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**Agencies highlighted in yellow have one or more rules with a fiscal impact of \$100,000 per year or more.*

Department of Inspections and Appeals

ARC 1190C

Rule Summary

Makes the following changes:

- Removes references to egg handlers that were moved from the Department of Inspections and Appeals' jurisdiction to the jurisdiction of the Iowa Department of Agriculture and Land Stewardship in 2012.
- Updates definitions.
- Formalizes the Department of Inspections and Appeals' policy for the refund of license fees.
- Updates inspection frequency to be consistent with current practice.
- Clarifies public access to and examination of records.
- Updates and consolidates sections related to licensure actions and hearings.
- Removes all inspection standards from the current chapter to be moved to another chapter.

Notice of Intended Action was published on September 18, 2013, as ARC 1026C. Comments were received resulting in two changes: a correction was made to a cross reference and the reference to boarding houses was removed. Boarding houses are no longer common and could be confused with boarding homes that are not regulated by DIA.

Agency Stated Authority: Iowa Code chapters 10A, 137C, 137D, and 137F.

Fiscal Impact

Agency Response: The rules revise Chapter 30 by removing old references, and updating definitions. These actions should have no fiscal impact on any regulated entities.

LSA Response: No fiscal impact.

ARC 1191C

Rule Summary

The proposed amendment includes the following:

- Adopts the 2009 FDA Food Code and Supplement.
- Adopts the Certified Food Protection Manager requirement from the Food Code, along with transition provisions.
- Adopts provisions related to reduced oxygen packaging that reduce regulatory requirements and were recommended for inclusion in the 2013 Food Code.
- Clarifies reduced oxygen packaging of meats in custom exempt meat and poultry processing plants.
- Updates food processing inspection standards to coincide with current federal law and regulations, and current practice.
- Moves enforcement provisions from one chapter to another.

These rules are the same as the Notice of Intended Action published on September 18, 2013, as ARC 1025C.

Agency Stated Authority: Iowa Code chapters 10A, 137C, 137D, and 137F.

Fiscal Impact

Agency Response: The amendments update the rules to incorporate the latest version of the FDA Food Code and Supplement. No fiscal impact to the state.

LSA Response: No fiscal impact to the state. The proposed amendment adopts the 2009 Food Code Supplement requirement that establishments have a Certified Food Protection Manager. The cost of this requirement is approximately \$140 per food establishment. The Department estimates that between 25.0% and 40.0% of establishments currently have a certified food protection manager. Additionally, approximately 10.0% of the establishments and all temporary food establishments will be exempt from the requirement. The Certified Food Protection Manager programs are available from a variety of sources including Iowa State University Extension, the Iowa Restaurant Association, local health departments, and online. The requirement has a graduated implementation with new establishments after January 1, 2014, being required to employ an individual who is a certified food protection manager. Other establishments must meet the requirement within six months of receiving a foodborne illness risk factor or public health intervention violation, violations that can result in illness, or by January 1, 2018, whichever comes first.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Economic Development Authority

ARC 1175C

Rule Summary

Establishes the Reinvestment District Program that permits certain state Hotel and Motel Tax and Sales and Use Tax revenues to be reinvested into designated reinvestment districts.

Agency Stated Authority: 2013 Iowa Acts chapter 119 (HF 641—Iowa Reinvestment Act).

Fiscal Impact

Agency Response: Full program cap will be awarded. General Fund expenditures will be \$50.0 million per year in FY 2012 and FY 2013.

LSA Response: The LSA communicated with the Department regarding their response and determined that the fiscal year information in the Department response

is not correct. The LSA determined that the estimated fiscal impact of HF 641 is unknown and will largely depend on the number, composition, and timing of reinvestment district projects. However, since the total amount of state tax revenue to be remitted to the Reinvestment District Fund is capped at \$100.0 million, the amount will not exceed \$100.0 million. The fiscal impact is not anticipated to occur prior to FY 2015 and will likely be spread over a number of fiscal years. This fiscal impact information matches the fiscal note that was filed for HF 641. The fiscal note provides additional detail and potential impact based on a range of scenarios and assumptions. The fiscal note is available online at: https://www.legis.iowa.gov/DOCS/FiscalNotes/85_2518S3247v0_FN.pdf.

STAFF CONTACT: Kent Ohms (Ext. 52200) and Shawn Snyder (17799)

Board of Educational Examiners

Rule Summary **ARC 1166C**
Removes the requirement for out-of-state applicants for licensure in Iowa to provide a current license from another state. Out-of-state applicants for licensure may provide an expired license.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require state expenditure.

LSA Response: No fiscal impact.

Rule Summary **ARC 1168C**
Current language regarding the master educator license does not indicate that the required masters degree must be earned from a regionally accredited college or university. The proposed amendment provides clarity and consistency with the other existing requirements for degrees earned.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require state expenditure.

LSA Response: No fiscal impact.

Rule Summary **ARC 1182C**
Requires the passing of Iowa mandated assessments for substitute licensure for both Iowa graduates and out-of-state graduates.

Currently, Iowa graduates after January 1, 2013, that do not pass the required assessments are not eligible for substitute licensure only a substitute authorization. Out-of-state graduates are currently eligible for a substitute license because they have completed a teacher preparation program and have obtained licensure in another state.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require state expenditure.

LSA Response: No fiscal impact.

ARC 1181C

Rule Summary Allows out-of-country teachers to be licensed using the International Exchange license rules, that do not require testing. If individuals desire to stay beyond their exchange period, they must meet the requirements for the out-of-country licensure.

The Board of Educational Examiners has encountered several teachers brought to Iowa under the auspices of exchanges arranged through either the U.S. Department of Education or the U.S. Department of State. In past years, Board staff members were able to evaluate the teachers' transcripts and issue Regional Exchange licenses. Due to changes in the out-of-country rules that now require successful completion of both content and pedagogy PRAXIS testing, the Board staff may no longer license these teachers.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require any state expenditure.

LSA Response: No fiscal impact.

ARC 1171C

Rule Summary Creates K-8 and 5-8 Science Technology Engineering and Mathematics (STEM) endorsements, a K-12 STEM Specialist, a Career and Technical license for Engineering, and a 5-12 Engineering endorsement. In December 2012, a licensure subcommittee of the Governors STEM Advisory Council, consisting of science, math, industrial technology practitioners, administrators, as well as higher education, Department of Education, and Board of Educational Examiners representatives met to recommend licensure rules to support implementation of Iowas STEM initiative. The subcommittee recommended the new STEM endorsements.

There is one change to the language published under notice. The word “coach” was removed from subrule 282—13.28(32)(c) to avoid confusion with the implementation of Teacher Leadership and Compensation frameworks.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require any state expenditure.

LSA Response: No fiscal impact.

ARC 1167C

Rule Summary Expands the types of experience that are acceptable for obtaining licensure as a superintendent or AEA administrator.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed amendment will not require any state expenditure.

LSA Response: No fiscal impact.

ARC 1180C

Rule Summary Allows all Iowa Jobs for America's Graduates (iJAG) employees to have some level of certification. The required education coursework is offered by iJAG annually through mandatory training, and iJAG will be seeking a credit option. The BoEE will

assist to ensure that the coursework meets the stated requirements. Candidates complete 18 days of training in their first year and 7-10 days annually in subsequent years. Currently, the (iJAG) program employs both certified and noncertified staff throughout the state. High school credit is given in most cases.

Agency Stated Authority: Iowa Code section 272.2.

Fiscal Impact **Agency Response:** The proposed rule will not require any state expenditure.

LSA Response: No fiscal impact. Costs associated with authorization will be paid by the applicant.

Rule Summary Prohibits romantic and/or sexual relationships between licensees and former students for 90 days following the students last date of enrollment, if the licensee and the student previously had a direct and supervisory relationship. Adds an additional ethics violation under rule 25.3(1)(e) (“Student abuse”) specifically for students no longer enrolled in a school district. The Board previously filed a Notice of Intended Action setting forth a more broadly-written proposed amendment to this rule. The notice was allowed to expire while the Board considered input from the Administrative Rules Review Committee. Based on this input, the Board reduced the number of days in the proposed amendment from 180 to 90, provided a statutory cross-reference defining “sexual conduct,” and slightly narrowed the prohibited conduct. **ARC 1170C**

Agency Stated Authority: Iowa Code section 272.2(1)(a).

Fiscal Impact **Agency Response:** The proposed amendment will not require any state expenditure.

LSA Response: No fiscal impact.

STAFF CONTACT: John Parker (Ext. 52249)

Environmental Protection Commission

Rule Summary Changes rules related to the passage of HF 311 (FY 2014 Water Related Changes Act) for a general stormwater permit. To meet the public notice requirement the applicant must provide public notice in one newspaper instead of two. **ARC 1176C**

The proposed rule also removes the requirement that stormwater permit holders submit to the Department of Natural Resources (DNR) transfer agreements executed when buildings in development lots are transferred. The buyer and seller may decide together if the lots are to be covered under the sellers permit authorization or the buyer’s.

Agency Stated Authority: Iowa Code sections 455B.105(3), 455B.173, and HF 311 (FY 2014 Water Related Changes Act).

Fiscal Impact **Agency Response:** No fiscal impact and no additional costs are required to make this change. The state is already administering this program. There will be a fiscal impact for permit applicants that were required to publish two notices. The average cost of publishing a public notice is approximately \$20, although costs vary. According to the DNR stormwater permit database, the DNR issued approximately 1,600 new general permit authorizations in 2012. Requiring one public notice instead of two will save approximately \$32,000 statewide for applicants.

LSA Response: No fiscal impact to the state. House File 311 was enacted by the General Assembly on April 23, 2013, and signed by the Governor on April 24, 2013.

ARC 1177C

Rule Summary Implements HF 311 (FY 2014 Water Related Changes Act). The nonpoint source pollution control set-aside programs are part of the Clean Water State Revolving Fund. These programs, in conjunction with the Iowa Finance Authority and local lenders, provide low interest loans for nonpoint source pollution control projects. One of these programs is the Onsite Wastewater Assistance Program that provides low interest loans for existing homeowners to repair or replace failing septic systems. The original law required that a homeowner reside outside the city limits to use the loan program. However, there are a significant number of homes inside the city limits or in incorporated, unsewered communities that are served by septic systems and do not have a sewer connection available.

Allows homeowners inside the city limits without a public sewer connection to access a low-interest loan from the Onsite Wastewater Assistance Program to repair or replace failing septic systems.

Agency Stated Authority: Iowa Code sections 466.8, 455B.291, and 455B.299.

Fiscal Impact **Agency Response:** No fiscal impact. These statutory and rule changes will increase the number of loans distributed, however existing staff will be able to absorb these additional loan approvals. Therefore, there will be no fiscal impact to the State.

LSA Response: No fiscal impact to the state. House File 311 was enacted by the General Assembly on April 23, 2013, and signed by the Governor on April 24, 2013.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Department of Human Services

ARC 1184C

Rule Summary Creates definitions for the new autism support program. The purpose of the program is to provide funding for applied behavioral analysis and care coordination services to eligible children under the age of nice. The rules identify eligibility standards, application and authorization processes, provider network qualifications, and appeal processes for the program.

Agency Stated Authority: SF 446 (FY 2014 Health and Human Services Appropriations Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The General Assembly appropriated \$2.0 million from the General Fund for this Program beginning January 1, 2014, in SF 446.

ARC 1173C

Rule Summary Defines the regional service system for the Mental Health and Disability Services system including the regional governance structure and agreements, functional assessment criteria, eligibility, and regional service system management plan.

Fiscal Impact **Agency Stated Authority:** Iowa Code sections 331.388 to 331.398.

Agency Response: No fiscal impact.

LSA Response: The rule clarifies and implements changes that are required in Iowa Code. These services are currently provided under a different structure.

ARC 1185C

Rule Summary Adds diagnoses/conditions that will be covered for allogeneic and autologous bone marrow transplants, now generally known as “stem-cell” transplants. Changes are also being made to heart transplant rules to make artificial hearts and ventricular assist devices (VADs) covered with preprocedure review as temporary life-support systems until a human heart becomes available for transplant. In addition, new introductory language is being added to describe the general types of medical circumstances for which heart transplants are allowed, consistent with existing language for other types of transplants addressed in the rules. Lastly, a technical correction is being made to change the existing reference to the “Iowa Foundation for Medical Care” to the “Iowa Medicaid Enterprise Medical Services Prior Authorization Unit.”

Agency Stated Authority: Iowa Code section 249A.4.

Fiscal Impact **Agency Response:** No fiscal impact. Stem-cell transplants and ventricular assist devices have routinely been approved through the exception to policy process for a number of years. As such, it is not anticipated that adding them to rules will increase expenditures for these categories.

LSA Response: The LSA concurs.

ARC 1183C

Rule Summary Amends the rules to reflect programmatic changes affecting the hawk-i program as required by the federal Patient Protection and Affordable Care Act. This rule specifically changes the income guidelines to reflect the Modified Adjusted Gross Income (MAGI) equivalent guidelines given to the state by the Centers for Medicare and Medicaid Services (CMS). The MAGI is a national standard that requires all states to consider family income when determining eligibility for participation in insurance affordability programs Medicaid; CHIP, and plans offered through the Health Insurance Marketplace/Exchange.

Agency Stated Authority: Iowa Code Section 514I.1.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: This change is required by federal law. The changes in MAGI income methodology will result in the movement of children between Medicaid and hawk-i. The CMS has stated that the conversion to the MAGI methodology was designed to keep everything constant in the aggregate.

STAFF CONTACT: Jess Benson (Ext. 14611)

Dental Board

ARC 1194C

Rule Summary Clarifies that sedation/anesthesia permits will not be issued until completion of a peer review evaluation and a facility has successfully passed inspection. Establishes an inspection frequency of five years. Requires all general anesthesia/deep sedation permit holders to use capnography at all facilities that provide sedation. Rescinds outdated references to earlier renewal years, corrects cross references, and makes other minor amendments.

Agency Stated Authority: Iowa Code section 147.76.

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: The majority of the rule changes are technical in nature. The Department held hearings to vet the additional changes with the impacted constituency and made further changes to the draft of the rules before submission to assure no delays in permit administration or cash-flow would occur. Thus, LSA concurs that there will be no fiscal impact for the rules.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Board of Medicine

ARC 1187C

Rule Summary Reduces or eliminates various licensing fees, criminal background check fees, and fees for public records. Allows the Board to collect a monitoring fee that is more in-line with actual costs of monitoring services.

Agency Stated Authority: Iowa code sections 147.10, 148.2, and 272C.2.

Fiscal Impact **Agency Response:** No fiscal impact for the rules. Further, the reduction in fees for resident licensure could encourage physicians to pursue postgraduate training in the Iowa and subsequent employment in Iowa. The elimination of fees for certain public records could assist in the recruitment of physicians wishing to practice in Iowa.

LSA Response: The availability of public records to be delivered electronically versus a printed copy negates the need for public record fees. Background investigations will be covered under the new monitoring fee and creates a neutral effect. The reductions in the resident physician licensure fee from \$150 to \$100 can be absorbed by the Board and will not affect operating expenditure needs. Future out-of-state demand and positive impacts on Iowa jobs cannot be determined, but the reduction could be regarded as a lowered barrier-of-entry incentive for the industry. However, this holds no fiscal impact for the Board. Thus, the LSA concurs that there will be no fiscal impact for the rules.

ARC 1188C

Rule Summary Defines Iowa Physician Health Committee Program participants, the duties of the Committees officers, and the discretion of the Committee to notice a participant to the Board of Medicine for noncompliance to their Program contract.

Agency Stated Authority: Iowa code sections 147.76 and 272C.3(1).

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: The LSA concurs that there will be no fiscal impact for the rules. The changes are technical alterations to add clarity and to more closely align rules with current practices of the Committee and the Program.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Department of Public Health

ARC 1074C

Rule Summary Increases the fee for a certified copy of a vital record from \$15 to \$20 from January 1, 2014, thru June 30, 2019, for individuals purchasing a copy of a birth, death, a marriage certificate. The additional funds generated by this time-limited fee increase will support the development and implementation of the Iowa Vital Events System for the registration, issuance, and maintenance of all vital events registered in Iowa.

Agency Stated Authority: Iowa Code sections [144.3](#) and [144.46](#).

Fiscal Impact **Agency Response:** No fiscal impact to counties. The electronic system will remove the requirement that counties maintain a set of records for their county and counties will have access to the records using the electronic system. The Department estimates the fee increase will generate \$1.4 million per year.

LSA Response: The LSA concurs.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Department of Public Safety

ARC 1198C

Rule Summary Adopts the 2012 International Energy Code, with some modifications based on stakeholder input. The change will closely connect the Energy Code and the Mechanical Code and make the two codes compatible.

Agency Stated Authority: Iowa Code chapter [103A](#).

Fiscal Impact **Agency Response:** With the adoption of the new Code, there may be some initial out of pocket expenses on builders and consumers for the purchase of new Code books but those are anticipated to be minimal. The change may also enhance opportunities for new construction projects to qualify for federal funding through the federal Department of Energy and the Iowa Department of Economic Development.

LSA Response: Based on the information available at this time, the LSA agrees with the Department response.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Iowa Department of Veterans Affairs

ARC 1157C

Rule Summary Updates definitions and language to match statutory changes in [HF 544](#) (Veterans Home Act).

Agency Stated Authority: Iowa Code section [35A.3](#) and [HF 544](#).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

Department of Revenue

ARC 1196C

Rule Summary Implements 2013 Iowa Acts, HF 632 (Algae Industry Classification), that added real estate used directly in the cultivation and production of algae for harvesting as a crop for animal feed, food, nutritionals, or biofuel production, to the definition of agricultural property. Clarifies that agricultural real estate includes woodland, wasteland, and pastureland if that land is held or operated in conjunction with agricultural real estate.

These changes were originally published as ARC 1042C on October 2, 2013. Based on public comment, the rules were revised to clarify that woodland, wasteland, and pastureland held in conjunction with vineyards qualify as agricultural real estate.

Agency Stated Authority: HF 632 (Algae Industry Classification) and Iowa Code sections 427A.1(4) and 441.21(12).

Fiscal Impact **Agency Response:** To the Departments knowledge, there is one biofuel plant that may qualify for this change to the definition of agricultural property. There was a concern about putting forth an estimate based on one entity, when other unknown entities may qualify because the estimate may be artificially low.

LSA Response: There will be a minimal annual fiscal impact (\$3,000) on property identified that currently is affected by the implementation of the legislation. Property tax collections could be lowered by an estimated \$225,000 if the property is fully developed in the future when compared to tax collections without the legislation. The additional loss of revenue is not a loss of current revenue; it is a loss of a portion of the potential increase in revenue if the property is developed further.

ARC 1200C

Rule Summary 2013 Iowa Acts, SF 295 (Division I) creates a new business property tax credit available to properties classified as commercial, industrial, or railroad. The new rule defines persons and properties eligible for the new credit and specifies how the tax credit will be applied to the tax bill of eligible parcels and units.

Agency Stated Authority: SF 295 (Property Tax and Income Tax Credit Act).

Fiscal Impact **Agency Response:** The rules implement a new property tax credit available to properties classified as commercial, industrial, or railroad. A standing State General Fund appropriation is created to fund the new credit. The appropriation is \$50.0 million for FY 2015, \$100.0 million for FY 2016, and \$125.0 million for FY 2017 and thereafter. The fiscal note for SF 295 is available at: https://www.legis.iowa.gov/DOCS/FiscalNotes/85_1464SVv2_FN.pdf

LSA Response: As enacted in SF 295, the new business property tax credit reduces the property taxes owed on every eligible parcel or unit of commercial, industrial, and railroad property in the State. The property tax reduction will begin in FY 2015 and first applies to property taxes due in the fall of 2014 and the spring of 2015. Senate File 295 also creates a standing limited General Fund appropriation to fund the new tax credit. The annual appropriation is:

- FY 2015 - \$ 50.0 million
- FY 2016 - \$100.0 million
- FY 2017 and after - \$125.0 million

The standing appropriation fully funds the tax credit, so there is no direct impact on local government finance. Should a future General Assembly increase or decrease

the standing appropriation, the maximum tax benefit for eligible property tax payers will increase or decrease accordingly.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256) Jeff Robinson (14614)

Utilities Division

ARC 1169C

Rule Summary Updates the Utilities Boards natural gas and electrical safety standards to comply with federal and national standards. Nonutility pipeline operators are required to file copies of required federal reports with the Board. Streamlines the competitive natural gas provider application for compressed natural gas vehicle fuel providers.

Agency Stated Authority: Iowa Code sections 476.2, 476.8, 476.86, 476.87, 478.19, and 479.4.

Fiscal Impact **Agency Response:** There should be no additional costs from the adoption of the federal and national standards since, in most instances, a utility must comply with those standards now. The application for competitive natural gas vehicle fuel providers is streamlined.

LSA Response: This estimate uses the best available information.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Professional Licensure Division

ARC 1192C

Rule Summary Adopts continuing education requirements and new temporary fees for the Board of Orthotist, Prosthetist, and Pedorthist.

Agency Stated Authority: Iowa Code section 148F.3.

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: There is no net fiscal impact for the State. However, the Board will experience a onetime increase of \$28,000. The increase of the licensure fee for podiatrists to \$400 for a new license, \$200 for a temporary license, and \$400 for a license renewal will provide the temporary fund increase needed to comply with a legislative mandate established in 2013 SF 446 to reimburse \$28,000 to the General Fund by July 1, 2015. After July 1, 2015, the temporary licensure fee increases will revert to a lower self-sustaining fee.

ARC 1199C

Rule Summary Allows podiatrists to earn continuing education credit for teaching a college course that pertains to the practice of podiatry or for presenting a continuing education course that pertains to the profession.

Agency Stated Authority: Iowa Code section 147.10

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: The LSA concurs that there will be no fiscal impact for the rules. The changes are technical amendments that have no impact in the Board and could lower costs for the Boards constituency.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Department on Aging

ARC 1172C

Rule Summary Changes the title of the Departments employment program from Senior Internship Program to Older American Community Service Employment Program.

Agency Stated Authority: SF 184 (Department on Aging Technical Act).

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: The LSA concurs.

STAFF CONTACT: Jess Benson (Ext. 14611)

Department of Agriculture and Land Stewardship

ARC 1193C

Rule Summary Repeals rules in the Department of Agriculture and Land Stewardship (DALs) related to the Grape and Wine Program as the Program has been administered by Iowa State University Extension and Outreach since September 2006.

Agency Stated Authority: Repeal of Iowa Code Section 175A on June 30, 2010. Iowa Board of Regents meeting – September 2006.

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: Previously, the Grape and Wine Program administered by the DALs and the Department received a General Fund appropriation for this purpose. Beginning in FY 2011, with the passage of HF 2525 (FY 2011 Agriculture and Natural Resources Appropriations Act), the DALs was required to transfer \$238,000 of the General Fund appropriation for operations to the Midwest Grape and Wine Industry Institute at Iowa State University (ISU). However, the Institute is under the administration of the ISU Extension and Outreach and the rules related to the administration of the Grape and Wine Program are no longer needed.

ARC 1179C

Rule Summary Requires the testing of bulls for Trichomoniasis prior to bringing them into Iowa from out-of-state. The testing requirement would not apply to rodeo bulls, bulls being sent to slaughter, and virgin bulls under 24 months of age.

Trichomoniasis is a venereal disease in cattle that must be reported in Iowa. The animal shows no signs of illness but the disease can spread to cows and causes infertility. In June 2012, two bulls were found to have the disease in Iowa. The Iowa Veterinary Medical Association has been conducting a survey project to randomly sample nonvirgin bulls for Trichomoniasis.

Agency Stated Authority: Iowa Code section 163.1 (1)

Fiscal Impact **Agency Response:** No fiscal impact.

LSA Response: No fiscal impact to the state. The Department has found nine cases of the disease. Three of the cases were through reporting and six from random sampling. Currently, 23 other states test for this disease.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Insurance Division

ARC 1178C

Rule Summary Corrects cross reference mistakes that were inadvertently overlooked in a previous rulemaking. The subject of the rule deals with the procedural requirements to carry out provisions of SF 182 (Insurance Division – Credit for Reinsurance Model), sections 1 to 6, passed during the 2013 Legislative Session.

Agency Stated Authority: Iowa Code section 505.8 and SF 182 (Insurance Division – Credit for Reinsurance Model), section 5.

Fiscal Impact **Agency Response:** There is no fiscal impact to Iowa.

LSA Response: Reference corrections do not have a fiscal impact.

ARC 1186C

Rule Summary Rescinds Chapter 18, Cemeteries, and adopts a new Chapter 140, Burial Sites and Cemeteries. The new rules include:

- Definitions.
- Administration information including contact information, complaints and inquiries processes, and forms and filing procedures.
- Examination expenses assessment of \$150 plus expenses which may be charged for a field audit.
- Notice of disinterment.
- Commingling of funds and investments by groups of cemeteries.
- Distribution of capital gains for perpetual care cemetery funds.

These amendments were published on September 4, 2013, as ARC 1004C. Comments were received and as a result two changes were made: applicable language from Iowa Code section 523I.811 was included in paragraph 140.8(1)(d) rather than a cross-reference to the Code section, and “capital improvements” was added to the list of acceptable distributions.

Agency Stated Authority: Iowa Code section 523I

Fiscal Impact **Agency Response:** Any increased duties caused by the amendments will be absorbed by existing Division staff.

LSA Response: No significant fiscal impact. Current Insurance Division staff will absorb any additional workload. There are approximately 300 perpetual care cemeteries, and they are to be examined once every five years. That is, approximately 60 perpetual care cemeteries are examined in a normal year. The Division’s examination expenses are paid from funds in the Enforcement Fund which receives \$5 for each interment. Often the Division is able to perform the examination through a desk audit of information filed by the cemeteries. When a field audit is required and greater expenses are incurred, the Division may charge a \$150 assessment.

Labor Services Division

ARC 1189C

Rule Summary Updates rules regarding boiler inspection schedules.

Agency Stated Authority: 2013 Iowa Acts chapter 66 (HF 484 Boiler Inspections Act).

Fiscal Impact **Agency Response:** No fiscal impact to State.

LSA Response: No fiscal impact.

STAFF CONTACT: Kent Ohms (Ext. 52200)

Nursing Board

ARC 1174C

Rule Summary Updates language for purchasing a licensee roster to align with the online purchase process.

Agency Stated Authority: Iowa Code sections 17A.3 and 147.76.

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: The LSA concurs that there will be no fiscal impact for the rules. In the past, rosters of licensees were made available to the public in a hard copy form for a \$40 fee. With this change, rosters of licensees can be made available to the public via the Board's website for a \$40 fee. The changes are technical amendments that account for the use of online processes and more closely align rules with current practices.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Pharmacy Board

ARC 1165C

Rule Summary Requires any special directions, restrictions, or notations included by the prescriber on the original prescription to be a part of the information communicated to the pharmacist receiving a prescription transfer from another pharmacy. In addition, establishes requirements for drug product selection and does not allow substitute restrictions.

Agency Stated Authority: Iowa Code section 147.76.

Fiscal Impact **Agency Response:** No fiscal impact for the rules.

LSA Response: The LSA concurs that there will be no fiscal impact for the rules. The changes are technical amendments that clarify current practices.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Real Estate Appraiser Examining Board

ARC 1197C

Rule Summary Eliminates the Real Estate Appraiser Examining Board's authority to request work product from a nonresident appraiser seeking reciprocity. This change is consistent

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with national standards. This rule change is identical to the notice of intended action published as ARC 1035C on October 2, 2013.

Agency Stated Authority: Iowa Code section 543D.11.

Fiscal Impact

Agency Response: No fiscal impact. The Board has never used its authority to request work product from a reciprocal appraiser.

LSA Response: This estimate uses the best available information.

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