



ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

Section 17A.4(3) Iowa Code Supplement requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at http://staffweb.legis.state.ia.us/lfb/docs/Admin_Rules/arfiscal_notes.htm.

DEPARTMENT OF ADMINISTRATIVE SERVICES

ARC 3634B

Rule Summary The amendments update and correct cross references as the final step in the Department's conversion of the rules of the departments that were merged into the Department of Administrative Services.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

AGRICULTURE AND LAND STEWARDSHIP

ARC 3677B
Terminates ARC 3533B

Rule Summary Terminates the previous Notice of Intended Action that eliminated various Farm Deer Programs as the rules were Adopted and Filed Emergency.

Fiscal Impact No fiscal impact.

ARC 3678B
ARC 3676B

Rule Summary Reinstates rules related to the monitoring of farm deer for chronic wasting disease. One-time federal funding was received that permits the reinstatement of the program for one year. The rules do not reinstate the whitetail deer hunting preserve program for farmed whitetail deer.

Fiscal Impact The fiscal impact is estimated at \$100,000 annually and will be funded during FY 2005 with federal funds. The primary expense is for private veterinary fees for retrieval of brain samples for Chronic Wasting Disease testing for farm deer that die.

STAFF CONTACT: Debra Kozel (Ext. 16767)

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ATTORNEY GENERAL

ARC 3634B

Rule Summary Conforms the rules to statutory changes regarding insurance in consumer credit transactions.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

DEPARTMENT OF CORRECTIONS

ARC 3651B

Rule Summary Updates the Sex Offender Registry rules to comply with statutory changes in SF 2298 (FY 2005 Omnibus Appropriations Act).

Fiscal Impact No fiscal impact.

ARC 3652B

Rule Summary Updates current language on case auditing systems used by the Community-Based Corrections (CBC) District Departments for probation services and amends rules for supervision fees to comply with current law.

Fiscal Impact No fiscal impact.

ARC 3653B

Rule Summary Updates current language on case auditing systems used by the CBC District Departments for residential facility services.

Fiscal Impact No fiscal impact.

ARC 3654B

Rule Summary Updates current language on case auditing systems used by the CBC District Departments for work release and amends rules for earned time to comply with current law.

Fiscal Impact No fiscal impact.

ARC 3655B

Rule Summary Updates current language on case auditing systems used by the CBC District Departments for parole services and amends rules for technical changes.

Fiscal Impact No fiscal impact.

ARC 3656B

Rule Summary Updates rules for the Operating While Intoxicated (OWI) program by changing "inmate" to "offender" and inserting "regional deputy director" in lieu of "deputy director of the division of Institutions".

Fiscal Impact No fiscal impact.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

CREDIT UNION DIVISION - DEPARTMENT OF COMMERCE

ARC 3643B

Rule Summary Chapter 189-17 (533) describes commercial paper purchased for investment by a state credit union for its own account. The proposed rules mirror the investment and

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deposit activities in which a credit union is authorized to engage for federally chartered credit unions.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

BOARD OF DENTAL EXAMINERS - DEPARTMENT OF PUBLIC HEALTH

ARC 3675B

Rule Summary Amendments require applicants for a dental or dental hygiene license, faculty permit, or reinstatement of a license to submit a completed fingerprint packet and fee for the evaluation of the fingerprint packet and the criminal history background checks by the Iowa Department of Criminal Investigation and Federal Bureau of Investigation.

Fiscal Impact Minimal fiscal impact. The proposed fee is \$46.00 for evaluation of each fingerprint packet. The fee will be paid by applicants and covers the cost of conducting the criminal history checks. The Board issued 57 new dental licenses, 91 new dental hygiene licenses, and 8 new faculty permits during the last calendar year.

ARC 3674B

Rule Summary Amendments permit the Board to collect either the actual costs of monitoring a practitioner's compliance with terms of an Iowa Practitioner Program contracts or settlement agreement, or to collect a \$100.00 quarterly monitoring fee, as agreed to by the licensee or registrant in the contract or settlement agreement.

Fiscal Impact Minimal fiscal impact. There are approximately two to three new participants in the Program per year and approximately 14 new licensees per year subject to monitoring per terms of a settlement agreement or contract. The proposed amendments apply only to new settlement agreements or contracts, when agreed to by the licensee or registrant.

ARC 3520B

Rule Summary Amendments to these chapters relate to standard precautions for preventing the spread of disease and the reporting of unethical or unlawful behavior.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

DEPARTMENT OF ECONOMIC DEVELOPMENT

ARC 3631B

Rule Summary Brings the state administrative rules into conformance with published federal guidance on the program and makes technical and language changes.

Fiscal Impact No fiscal impact.

ARC 3632B

Rule Summary Brings the state administrative rules into conformance with published federal guidance on the program and makes technical and language changes.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Russell Trimble (Ext. 14613)

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DEPARTMENT OF ELDER AFFAIRS

ARC 3705B

Rule Summary Proposed amendments incorporate changes needed for subsidized housing by allowing assisted living providers to enter into separate contractual agreements for subsidized assisted living. Only one entity may be certified by the State as an assisted living provider, which is the current practice.

Fiscal Impact No fiscal impact.

ARC 3704B

Rule Summary Proposed amendment adds clarification of the need for procedures or alarms in assisted living programs serving individuals with dementia or a cognitive disorder to the provisions for the regulatory oversight of elder group homes, assisted living, and adult day services programs.

Fiscal Impact No fiscal impact.

ARC 3703B

Rule Summary Proposed amendments make technical changes to the Chapter; allow tenants in assisted living programs to keep unlocked medications in personal units providing that nurse delegation is used; and includes clarification within a consumer's occupancy agreement relating to door alarms.

Fiscal Impact No fiscal impact.

ARC 3702B

Rule Summary Proposed amendment provides references to Elder Group Homes to the extent possible under Monitoring, Civil Penalties, and Investigation of Adult Day Services and Assisted Living provisions.

Fiscal Impact No fiscal impact.

ARC 3701B

Rule Summary Proposed amendment provides clarifications to the rules on Elder Group Homes with regard to the assessment tool, the self administration of medications and supervision of this, on-site manager and operator distinctions, definition of part-time or intermittent care, and increased square footage requirement for living space.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

ENVIRONMENTAL PROTECTION COMMISSION - DEPARTMENT OF NATURAL RESOURCES

ARC 3669B
Terminates ARC 3155B

Rule Summary Terminates the previous Notice of Intended Action that made definition changes to the Prevention of Significant Deterioration (PSD) Program after holding public hearings and meeting with stakeholder groups.

Fiscal Impact No fiscal impact.

ARC 3668B

Rule Summary Revises existing requirements for composting yard waste, food residuals and agricultural waste, and storm water management.

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Fiscal Impact No fiscal impact.

Rule Summary **ARC 3661B**
Modifies the Iowa Land Recycling Program (LRP) that is a voluntary cleanup program for contaminated sites. Establishes risk-based cleanup standards and includes public notification requirements.

Fiscal Impact Fiscal impact to persons affected by the rule revisions will be minimal. Parties who voluntarily enroll in the LRP will pay enrollment fees that cover the Department's oversight costs. No State match is required.

Rule Summary **ARC 3517B**
Implements statutory requirements for manure management plans to utilize the phosphorus index to determine land application rates.

Fiscal Impact No fiscal impact. The Department already reviews manure management plans.

STAFF CONTACT: Debra Kozel (Ext. 16767)

ETHICS AND CAMPAIGN DISCLOSURE BOARD

Rule Summary **ARC 3641B**
Amends the procedure for persons requesting an advisory opinion from the Board to reflect statutory amendments from the 2004 legislative session.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 3645B**
Places into rule the procedure for a Board Member to request consent to sell goods and services to a person subject to the regulatory authority of the Board.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 3646B**
Renumbers current rules on the imposition of civil penalties for late-filed campaign disclosure reports.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 3640B**
Moves rules on the assessment of civil penalties for late-filed campaign reports from Chapter 10 to Chapter 4 and reflects the Board's current procedures regarding assessment and waivers of civil penalties.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 3639B**
Adopts a new Chapter 6 for rules setting standards for governing the ethical conduct of persons in the executive branch.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 3642B**
Amends procedures for persons filing executive branch personal financial disclosure statements to reflect statutory amendments from the 2004 legislative session.

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Fiscal Impact No fiscal impact.

Rule Summary Places into rule the current requirement to disclose information on executive branch lobbyist registration statements. Also reflects implementation of electronic filing for executive branch lobbyist's registration via the Internet. **ARC 3647B**

Fiscal Impact No fiscal impact.

Rule Summary Clarifies record retention of filed executive branch lobbying reports and accessibility via the Internet. **ARC 3644B**

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sam Leto (Ext. 16764)

HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION – DEPARTMENT OF PUBLIC DEFENSE

Rule Summary The proposed rule describes requirements of the comprehensive plan for homeland security, disaster response, recovery, mitigation, and emergency resource management for the State. **ARC 3697, 3698B**

Fiscal Impact No fiscal impact.

Rule Summary This rule implements the changes to Section 34A, Code of Iowa, in SF 2298, (FY 2005 Omnibus Appropriations Act), which improved the level of enhanced 911 service in Iowa. **ARC 3660B**

Fiscal Impact No fiscal impact. Funding is provided by the surcharge increase passed in Senate File 2298 and filed in ARC 3544B from the August Administrative Rules meeting.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

DEPARTMENT OF INSPECTIONS AND APPEALS

Rule Summary The proposed changes deal with bingo operations, raffles, and games of skill or chance. The changes prohibit the awarding of live animals as prizes, clarify the number of times bingo occasions may be conducted under a 14-day license, change the number of times jackpot games may be played, allow jackpot prize amounts to increase by \$200 per game (up from \$100 per game) with a maximum amount of not more than \$2,500 for the second jackpot prize, authorize bingo patrons to trade-in cards, and provide for the pre-drawing of bingo numbers under certain circumstances. **ARC 3691B**

Fiscal Impact The changes in the bingo, raffle, and games rules will have no fiscal impact on the department. However, it is estimated that the state general fund may see an increase of approximately \$5,800 the first year (FY 2005) as a result of more participation in social and charitable gambling activities.

Rule Summary The proposed rule exempts the Iowa Veterans Home from the requirement that all long-term care facilities receiving reimbursement from the Medicaid Program must **ARC 3692B**

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assist the Iowa Commission on Veterans Affairs in identifying residents eligible for VA benefits

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

INSURANCE DIVISION - DEPARTMENT OF COMMERCE

ARC 3694B

Rule Summary Rescinds an existing rule pertaining to the use of credit information in personal insurance due to passage of 2004 Iowa Acts, SF 2257 (Credit Information Use in Personal Insurance).

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

IOWA FINANCE AUTHORITY

ARC 3618B

Rule Summary Deletes the reference to the dollar amount available for award from the Trust Fund, Defines the term “expend” to allow 2004 recipients to apply for 2005 funds and expands the definition of “Housing Assistance Plan” to be more inclusive, provides eligibility requirements for Housing Trust Funds and specifies maximum awards candidates are eligible to receive, provides for a mechanism by which to score applications, reduces the maximum award for the Project-Based Housing Program by over 60.0%.

Fiscal Impact In the past, program funding consisted of an appropriation from the Rebuild Iowa Infrastructure Fund (RIIF) as well as monies set aside by the Iowa Finance Authority. For FY 2005, no appropriation was made from RIIF. IFA has increased its allocation for the Program to partially offset the decrease from RIIF. In total, funding for FY 2005 is approximately \$500,000 less than funding provided in FY 2004. The Program provides one-time grants to qualified entities. The FY 2005 maximum grant amount will be 60.0% less than the maximum awards allowed in FY 2004 due to the decreased funding.

ARC 3682B

Rule Summary Establishes a new chapter to implement the Senior Living Revolving Loan Fund.

Fiscal Impact The fiscal impact is \$5.0 million, which is the amount that was appropriated for this Program.

ARC 3683B

Rule Summary Establishes a new chapter to implement the Home and Community-Based Services Revolving Loan Fund.

Fiscal Impact The fiscal impact is \$2.0 million, which is the amount that was appropriated for this Program.

STAFF CONTACT: Russell Trimble (Ext. 14613)

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IOWA LAW ENFORCEMENT ACADEMY

ARC 3650B

Rule Summary This rule clarifies that ILEA certified law enforcement instructors are serving as active status peace officers and it will allow instructors to conduct background investigations as required in Section 80B.11D, Code of Iowa. This rule will also require that ILEA certified law enforcement instructors meet all requirements of 501 IAC.

Fiscal Impact Training will be provided as required to active status certified peace officers at no cost to the ILEA instructors. The cost would be included in the tuition charged to those attending Academy training. The impact is anticipated to be minimal.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ARC 3670B

Rule Summary The rulemaking completes the transfer of the remaining rules formerly shared with the Iowa Department of Personnel. They also implement amendments to Chapter 97B, Code of Iowa, relating to the reorganization of IPERS.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

BOARD OF MEDICAL EXAMINERS - DEPARTMENT OF PUBLIC HEALTH

ARC 3689B

Rule Summary Proposed amendments provide updates and clarifications relating to the Board's administrative and regulatory authority.

Fiscal Impact No fiscal impact.

ARC 3693B

Rule Summary Amendments increase the renewal fee by \$75.00 for physicians who renew using a paper application rather than on-line renewal and decrease the reinstatement penalty by \$50.00 for a reinstatement within one year of the licensee's becoming inactive.

Fiscal Impact Minimal fiscal impact. In FY 2004, 775 physicians renewed on paper and the number who reinstated within 12 months was approximately 20. If that number renewed on paper, the increase in revenue would total \$58,125. However, the Board anticipates that at least two-thirds of those physicians will switch to on-line renewal. If 20 physicians reinstated within 12 months, the increase in revenue would total \$500.00.

ARC 3688B

Rule Summary Amendments announce that beginning July 1, 2006, an applicant for physician licensure who is a graduate of an international medical school and holder of an educational commission for foreign medical graduates will be required to submit satisfactory evidence of successful completion of two years of postgraduate training as specified in Section 148.3(3), Code of Iowa, as amended by HF 2555 (Public Health Omnibus Act).

Fiscal Impact No fiscal impact.

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ARC 3690B

Rule Summary Proposed amendments open the Iowa Physician Health Program (IPHP) to any applicants for licensure or licensees of the Iowa Board of Medical Examiners. Also, clarifies how the Board and the IPHP will handle confidentiality issues for IPHP participants under various circumstances, such as if a licensee in the Program violates the contract, the Board receives information that a licensee in the IPHP may have violated the grounds for program eligibility, or a licensee in the Program allegedly violates the law and the Board files charges against the licensee.

Fiscal Impact Minimal fiscal impact. There are approximately 25 licensed acupuncturists in Iowa and it is unlikely more than a couple will end up in the IPHP. Since the Program was founded eight years ago, no acupuncturists have applied. The information sharing will not result in additional costs.

STAFF CONTACT: Lisa Burk (Ext. 17942)

NATURAL RESOURCE COMMISSION - DEPARTMENT OF NATURAL RESOURCES

ARC 3706B

Rule Summary Makes changes related to the Land and Water Conservation Fund Program including the following:

- Establishes the Land and Water Conservation Fund (LWCF) and the Comprehensive Outdoor Recreation Plan (SCORP) acronym references.
- Clarifies the LWCF assistance ceiling.
- Clarifies the annual applications due date.
- Changes the review committee members.
- Adds a new bonus point category for recycled content materials for local and state project applications.
- Removes the rule that returns State grant applications when not selected.
- Changes "League of Municipalities" to "League of Cities."
- Initiates time periods for projects approved by an administering federal agency.
- Changes rules regarding project billing.

Fiscal Impact No fiscal impact.

ARC 3708B

Rule Summary Increases the cabin rental fees at Pine Lake and establishes cabin rental fees for the new cabins being constructed at Brushy Creek State Recreation Area and Honey Creek State Park.

Fiscal Impact Fees collected from the rental increase at Pine Lake is estimated at \$25,000 per year. Rental fees from the new cabins at Honey Creek and Brushy Creek are estimated at \$55,000 per year.

ARC 3707B

Rule Summary Makes language changes related to State parks and recreation areas, including:

- Clarifies the definition of a beach and increases time allowed on a beach during the main recreation season.
- Addresses archaeological/cultural resources when an artificial lake is drained.
- Allows for a permit in conjunction with an archaeological/scientific study.
- Minor language changes to clarify existing Metal detector use in State Parks.

Fiscal Impact No fiscal impact.

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ARC 3709B

Rule Summary Establishes fees and procedures for the stocking of fish in private waters. No fees currently exist. Fees are based on the size of pond with a limit of 10 acres. Fees include a \$25 application fee plus a \$25 per-acre or fraction thereof fee.

Fiscal Impact The cost to run the Program is estimated at \$35,000 per year. Fee revenue collected will pay for the cost of the Program.

STAFF CONTACT: Debra Kozel (Ext. 16767)

PROFESSIONAL LICENSURE DIVISION - DEPARTMENT OF PUBLIC HEALTH

ARC 3637B

Rule Summary Provides for a single Impaired Practitioner Committee for all 18 professional licensure boards.

Fiscal Impact No fiscal impact.

ARC 3687B

Rule Summary Board of Mortuary Science Examiners - Amendments adopt criteria for conduct of persons in public meetings, notifying the Board of address and name changes, license renewal, and how to obtain duplicate and reissued wallet cards and certificates, as well as associated fees for these duplications.

Fiscal Impact Minimal fiscal impact on licensees who need a duplicate or reissued wallet card or certificate.

ARC 3638B

Rule Summary Board of Physician Assistant Examiners - Update and clarification of rules covering physician assistant practice.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

DEPARTMENT OF PUBLIC HEALTH

ARC 3696B

Rule Summary Amendments describe and define the Acquired Immune Deficiency Syndrome (AIDS) Drug Assistance Program (ADAP), as well as provide current criteria for eligibility. Also, clarifies enrollment and disenrollment policies and establishes a waiting list and appeals policies.

Fiscal Impact No fiscal impact.

ARC 3695B

Rule Summary Amendment increases the fee for certified copies of vital records, including birth, marriage, and death certificates from \$10.00 to \$15.00. A portion of the death certificate copy fee increase will be used to support the State Medical Examiner's Office contribution of vital records information to the Division of Vital Statistics.

Fiscal Impact For FY 2005, the implementation of the fee increase will occur in only half of the year and will result in a total increase of \$803,000 in revenues. Of this amount, \$558,000 will be retained by the Department of Public Health, Division of Vital Statistics;

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\$200,000 will be retained by the State Medical Examiner's Office; and \$45,000 will be deposited into the General Fund.

For FY 2006, the increase in fees will result in a total increase of \$1.6 million. Of this amount, 1.1 million will be retained by the Department of Public Health, Division of Vital Statistics; \$399,000 will be retained by the State Medical Examiner's Office; and \$90,000 will be deposited into the General Fund.

STAFF CONTACT: Lisa Burk (Ext. 17942)

DEPARTMENT OF PUBLIC SAFETY

ARC 3684B

Rule Summary The proposed rule would provide fire safety requirements for facilities in which an agency provides foster care to fewer than six children at a time.

Fiscal Impact No fiscal impact is anticipated for the State. Agencies providing foster care in small homes (fewer than six beds) would be minimally impacted. There are 11 facilities statewide known to be subject to these rules.

ARC 3686B

Rule Summary The proposed rule updates the Iowa Sex Offender Registry, including an opportunity for public comment on rules adopted emergency in July, eliminating risk assessments for Registry purposes and providing that information regarding nearly all registrants will be placed on the Registry web site.

Fiscal Impact No fiscal impact.

ARC 3685B

Rule Summary The proposed rule change updates firefighter certification to the latest edition published by the National Fire Protection Association and allows the Fire Service Training Bureau to offer additional levels of certification.

Fiscal Impact This rule is anticipated to have no impact on the General Fund appropriation to the Fire Service Training Bureau. Course fees generated from fire fighters seeking additional certifications will offset the cost for additional classes.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

RACING AND GAMING COMMISSION

ARC 3679B

Rule Summary Implements the changes required by House File 2302 (2004 Gambling Acct).

Fiscal Impact No fiscal impact.

ARC 3680B

Rule Summary Rescinds the limitation on location and number of racetracks and excursion gambling boats.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

REAL ESTATE COMMISSION - DEPARTMENT OF COMMERCE

ARC 3633B

Rule Summary The amendments clarify that written agreement of all parties and agreement of the broker are required before the broker can deposit trust funds into a real estate trust account bearing interest to a party other than the Iowa Department of Economic Development.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

DEPARTMENT OF REVENUE

ARC 3673B

Rule Summary Increases the penalty for the violation of being in possession of more than 2,000 unstamped cigarettes; clarifies that a refund of tax paid on fuel used in the extraction and processing of natural deposits is allowable if used in motor vehicles, whether registered or not registered; provides a definition for “counterfeit cigarettes;” increases the statute of limitations for the Department to examine taxpayer records from 2 to 3 years; lengthens the time taxpayers are required to maintain records from 2 to 3 years; expands the time banks are required to maintain records of cigarette stamp transactions from 2 to 3 years; and makes numerous changes to clean-up outdated cigarette and tobacco tax penalty language.

Fiscal Impact The fiscal impact cannot be determined. It is unknown how many retailers are currently violating the cigarette stamp requirement.

ARC 3700B

Rule Summary These rules set forth amendments relating to the Iowa Educational Savings Plan Trust (HF 2553 – College Savings Iowa Act) and the Franchise Tax Credit (Banking Division Reorganization Act). These rules also set forth amendments based on 2004 Iowa Acts, SF 2298 (FY 2005 Omnibus Appropriations Act), section 250, relating to the Property Rehabilitation Tax Credit. Finally, these rules set forth amendments relating to the elimination of the franchise tax allocation to cities and counties based upon 2003 Iowa Acts, SF 453 (Reinvention Act).

Fiscal Impact General Fund revenues will be reduced by \$130,000 in FY 2005 and \$175,000 in FY 2006 due to the changes in HF 2553 (College Savings Iowa Act) relating to the Iowa Educational Savings Plan Trust. The revenue reduction will increase marginally in subsequent years as overall Program participation increases.

Also, General Fund revenues will be increased by \$8.8 million for FY 2005 due to the changes in SF 453 (Reinvention Act) relating to the repeal of the franchise tax distribution to cities and counties. Starting in FY 2006, \$7.0 million of franchise tax revenues will be transferred from the General Fund to the Community and Attractions Tourism Fund.

ARC 3671B

Rule Summary The rules set forth amendments that clarify existing rules and remove obsolete rules or rule provisions. The amendments clean up the existing rules pertaining to Individual Income Tax, Corporation Tax, and Fiduciary Income Tax.

Fiscal Impact No fiscal impact.

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ARC 3672B
Rule Summary These rules set forth amendments based on SF 2112 (FY 2005 Transportation Appropriations Act), and SF 2298 (FY 2005 Omnibus Appropriations Act), Sections 434 through 439, which made changes to income tax check offs on individual income tax returns. In addition, obsolete provisions in these rules were stricken.

Fiscal Impact Minimal fiscal impact. There will be some costs to the Department due to forms and system changes; however, those costs will be less than \$100,000 per year.

ARC 3699B
Rule Summary Amendments affect various taxpayer categories, including:

- Requiring a taxpayer subject to the replacement tax to include additional information with the tax return, and will extend the time for the filing of the replacement tax return from February 28 to March 31.
- Section 42 property owners will be required to notify the assessor by March 1 of the assessment year when the property is withdrawn from the Internal Revenue Service program or a \$500 penalty will be imposed for failure to make the required notification.
- Wind energy facilities will be assessed for taxation by the Department of Revenue rather than the local assessor and the owner of the facilities will be required to pay the taxes levied on the property to the Department rather than the county treasurer.
- Based on comments received from the Iowa State County Treasurers Association and the Iowa County Auditors Association, two sentences were added to subrule 80.13(2) for clarification purposes. One sentence requires the owner of the facility to file an annual report with the Department by May 1 of each year and requires the Department to certify the assessed value of the facility to the county auditor by November 1 of each year; and the other sentence requires the Department to notify the county treasurer of the date the taxes were paid.

Fiscal Impact Minimal fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

SECRETARY OF STATE

ARC 3662B
Rule Summary These proposed rules implement changes to procedures for receiving and counting absentee ballots, and provide a training curriculum for absentee ballot couriers. The proposed rules also provide county commissioners of elections with direction in handling absentee ballots returned by anonymous or unauthorized persons.

Fiscal Impact Minimal fiscal impact.

ARC 3665B
Rule Summary These proposed rules provide a definition of what constitutes a vote for all voting systems in use in Iowa and provide clarification of procedures for recounts.

Fiscal Impact No fiscal impact.

ARC 3635B, 3636B
Rule Summary These rules contain grant procedures for distributing Help America Vote Act (HAVA) funds to Iowa counties.

Fiscal Impact No fiscal impact.

ARC 3664B

Rule Summary As required by 2004 Iowa Acts, HF 2559, this chapter contains fees based upon the costs of administering the law. The registration and renewal fee for postsecondary registrations is set at \$4,000 per application.

Fiscal Impact Minimal fiscal impact. Each postsecondary school will pay \$4,000 for a four-year registration. Currently they pay \$1,000 for the first year and \$500 for renewal for the next three years.

ARC 3663B

Rule Summary This rule contains the fee schedule for the recently adopted revised nonprofit corporation Act. The fees remain unchanged from the Iowa nonprofit corporation Act, Chapter 504A, Code of Iowa.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

UNDERGROUND STORAGE TANK FUND BOARD

ARC 3648B, 3649B

Rule Summary This rule implements Section 2 of HF 2401 (Underground and Above Ground Storage Tank Act of 2004), and gives the Board the authority to reimburse for the permanent closure costs of previously upgraded underground storage tanks that also have an eligible claim. These rules were also filed and adopted emergency at the same time due to the immediate effective date of the statute.

Fiscal Impact Estimated fiscal impact of \$3.3 million from the Underground Storage Tank Fund spread across FY 2005 and FY 2006.

There are two groups that will take advantage of the rule. The first group is those that will permanently close tanks and exit the business. In the fiscal analysis provided to the Legislature for development of the Fiscal Note on HF 2401, this number was estimated to be 75 sites (the number of tank sites the IDNR classified as temporarily closed at that time). At an estimated cost of \$20,000 per site, the Fund could expend \$1.5 million for this benefit. This was the Fiscal Note estimate for the underground storage tank closure portion of HF 2401. In the material submitted by the administrator for this rule, the estimated cost per site was reduced to \$10,000 per site, for an estimated impact of \$750,000 for this portion of the rule.

The rule as written also allows owners intending to replace their existing, upgraded tanks with new tanks and have the Fund pay to “close” the current tanks in preparation for replacement.

If 175 currently-active sites replace upgraded tanks during the reimbursement window (ends December 31, 2005) and continue in operation, the Fund could expend \$1.75 million for this benefit (\$10,000 per site). This cost was not contemplated in the original fiscal estimate provided to the Legislature.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

UTILITIES DIVISION - DEPARTMENT OF COMMERCE

ARC 3666B

Rule Summary The amendments expand the eligibility criteria for the Lifeline and Link-up programs. The Lifeline and Link-Up programs are two of several universal service support mechanisms. The Lifeline program provides low-income consumers with discounts of up to \$10 off the monthly cost of telephone service for a single telephone line in a consumer's principal residence. The Link-Up program provides low-income consumers with discounts of up to \$30 off of the initial cost of installing telephone service. Pursuant to the rules of the Federal Communications Commission (FCC), low-income consumers have been able to establish their eligibility for Lifeline and Link-Up support by participating in certain federal assistance programs, such as Medicaid or Federal Public Housing Assistance Section 8.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

WORKERS' COMPENSATION DIVISION

ARC 3657B

Rule Summary These amendments modify the existing rules regarding discovery, scheduling, and admissibility of evidence in workers' compensation contested cases. Item 1 specifies when a record or report is admissible into evidence in a contested case. Item 2 specifies that discovery in workers' compensation proceedings is governed by the rules of civil procedure. Item 3 provides for prehearing procedures and deadlines. Item 4 deletes subrule 4.20(2) to conform with Item 3. Item 5 specifies that continuances are governed by the appropriate rules of civil procedure. Item 6 provides that the word "trial" in the rules of civil procedure shall be deemed a reference to a contested case hearing. Item 7 modifies sanctions for failure to follow the Division of Workers' Compensation rules or orders.

Fiscal Impact No fiscal impact.

ARC 3658B

Rule Summary These amendments modify the existing rules regarding contested case proceedings. Item 1 specifies procedure for appeal when a rehearing is requested. Item 2 specifies procedure for appeal regarding consolidated cases and from an interlocutory decision. Item 3 modifies requirements on an appeal, provides for an extension, and specifies the issues to be considered on the appeal.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Russell Trimble (Ext. 14613)
