



**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](http://staffweb.legis.state.ia.us/lfb/docs/Admin_Rules/arfiscal_notes.htm).

**DEPARTMENT OF ADMINISTRATIVE SERVICES**

**ARC 3532B**

**Rule Summary** The purpose of this rule making is to adopt accounting rules, which were formerly under the authority of and adopted by the Department of Revenue and Finance, and to comply with HF 2262 (2004 Public Pensions Changes). House File 2262 reestablishes an optional payroll deduction for the purpose of purchasing insurance when at least five hundred State employees request the deduction from the same company for insurance that is not provided by the State and the company has entered into an agreement with the State delineating each party's rights and responsibilities.

**Fiscal Impact** Fiscal impact cannot be determined.

**ARC 3483B**

**Rule Summary** The purpose of this amendment is to correct an editorial error in the initial publication of this chapter on parking on the capitol complex to clarify that the effective date of the late fee for parking fines is for all outstanding fines that are delinquent on June 30, 2004, or fines that become delinquent after June 30, 2004.

**Fiscal Impact** Minimal fiscal impact. If 30.0% of the approximately 1,000 parking tickets issued in a year become delinquent, an additional \$3,000 would be assessed to that group of individuals who do not pay their parking fines promptly.

STAFF CONTACT: Ron Robinson 281-6256

**DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP**

**ARC 3533B, ARC 3534B**

**Rule Summary** Rescinds regulatory programs over the hunting of farm deer, the monitoring of farm deer for chronic wasting disease, including eliminating the requirement that farm deer must originate from a herd participating in a chronic wasting disease program before the farm deer can be moved in Iowa, and the registration of farm deer premises. These amendments also rescind a variety of fees imposed upon farm deer producers and whitetail hunting preserves to support these activities. The amendments rescind two rules, rule 21-64.120 and rule 21-65.12, both of which dealt with the importation of cervidae into Iowa, and combine them into one new rule. The new rule is substantively identical to the two previous rules. Finally, a new rule is created in chapter 66

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relating to livestock movement. This rule is substantially similar to a rule in chapter 64 that is being rescinded in this rule making.

The Attorney General ruled that the Department does not have authority to charge fees to farm deer producers for whitetail hunting preserve regulation, chronic wasting disease regulation, and the registration of farm deer premises. There is no appropriation for the program and no federal funding.

**Fiscal Impact** The Department is in the process of returning approximately \$40,000 of fees collected. The costs to the industry/farm deer producers cannot be determined.

All producers will experience a savings from not needing to pay fees and incur other regulatory costs. Some producers will increase marketing opportunities since there will no longer be regulations on farm deer hunting. Other producers may face loss or reduction in markets if other states will not accept farm deer from Iowa since the animals will not originate from herds in an accepted chronic wasting disease program.

**ARC 3469B**

**Rule Summary** Updates to rules with the operation and inspection of dairy farms, dairy plants, and milk haulers and graders. The proposed amendments adopt updated versions of the federal Pasteurized Milk Ordinance. Changes the definition of “habitual violator” and makes several changes updating the rules to reflect current industry practices.

**Fiscal Impact** Minimal fiscal impact to the Department or to dairy farmers.

STAFF CONTACT: Deb Kozel 281-6767

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**DENTAL EXAMINERS BOARD – DEPARTMENT OF PUBLIC HEALTH**

**ARC 3520B**

**Rule Summary** Amendments make various technical corrections and clarifications to rules of the Board of Dental Examiners.

**Fiscal Impact** Minimal fiscal impact for licensees, if duplicate permit or renewals are issued.

**ARC 3522B**

**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 (DCI) and Federal Bureau of Investigation (FBI).

**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 3521B**

**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.

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**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.

STAFF CONTACT: Lisa Burk 281-7942

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### DEPARTMENT OF ECONOMIC DEVELOPMENT

**ARC 3562B**

**Rule Summary** Amendments establish wage guidelines for the Career Link Program and clarify the method for distribution of unused funds.

**Fiscal Impact** No fiscal impact. This program is funded with federal funds.

**ARC 3563B**

**Rule Summary** Makes technical language changes and substantive changes in the per project and per unit assistance for housing programs due to a new federal allocation for the American Dream Down Payment Initiative (ADDI) Program. The substantive changes raise the maximum assistance per unit to \$50,000; raise the per project assistance to \$800,000 on rental projects; establish a \$500,000 maximum for housing rehabilitation programs; and require minimum mortgage loan standards for projects using Housing Fund resources.

**Fiscal Impact** There is no fiscal impact to the General Fund. The Department of Economic Development estimates it will receive \$1.3 million for this Program for FFY 2004.

STAFF CONTACT: Russ Trimble 281-4613

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### EDUCATIONAL EXAMINERS BOARD

**ARC 3540B**

**Rule Summary** Clarifies and strengthens requirements for secondary mathematics teaching endorsement.

**Fiscal Impact** No fiscal impact.

**ARC 3539B**

**Rule Summary** Provides for denial of a Class E license if no progress has been made on a Class A, B, C, or D license unless extenuating circumstances can be verified.

**Fiscal Impact** No fiscal impact.

**ARC 3542B**

**Rule Summary** Modifies the requirements of the special education consultant.

**Fiscal Impact** No fiscal impact.

**ARC 3543B**

**Rule Summary** Modifies the requirements for the director of special education. Also clarifies the authorization to include the director of special education of an area education agency.

**Fiscal Impact** No fiscal impact.

**ARC 3541B**

**Rule Summary** Aligns the school social worker Statement of Professional Recognition with the appropriate class of licensure issued by the Iowa Board of Social Work Examiners and recent changes in their rules.

**Fiscal Impact** No fiscal impact.

**ARC 3553B**

**Rule Summary** Replaces and updates current chapter regarding professional behavior for educators.

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**Fiscal Impact** No fiscal impact.

**ARC 3554B**

**Rule Summary** New chapter to establish the existing “Canon” of practitioner rights and responsibilities in administrative rules.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Robin Madison 281-5270

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### DEPARTMENT OF EDUCATION

**ARC 3473B**

**Rule Summary** The Rules provide for implementation of voluntary desegregation plans as per the 2003 Iowa Acts, Chapter 80, Section 35, to avoid or reduce racial isolation. The plan may contain open enrollment elements to avoid negative impact from open enrollments and provides for exceptions.

**Fiscal Impact** No fiscal impact.

**ARC 3474B**

**Rule Summary** The proposed amendments are to implement the McKinney-Vento Homeless Assistance Act, a part of the No Child Left Behind Act. The rules provide for identifying, attracting, and enrolling homeless children and youth in the appropriate school or program. A waiver of fees and charges is encouraged.

**Fiscal Impact** The fiscal impact cannot be determined. As an illustration, if parents or guardians request the student be transported out of district to their school of origin, then additional costs will be incurred. It is assumed normal district routes could not be used to transport the children going out of district. If 20 students requested and were transported 30 miles round trip to their schools of origin at a cost of \$2.06 per mile for 180 school days, the cost would be approximately \$222,000 annually.

STAFF CONTACT: Dwayne Ferguson 281-6561

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### DEPARTMENT OF ELDER AFFAIRS

**ARC 3530B, ARC 3531, ARC 3528**

**Rule Summary** Chapter 25 - 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.

Chapter 26 - 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.

Chapter 29 - 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** There are currently an estimated 180 assisted living programs in the State and it is anticipated there will be 80 adult day service programs that will require certification and oversight. For FY 2005, the General Assembly appropriated \$800,000 and 6.0 FTE positions from the Senior Living Trust Fund to the Department of Inspections and Appeals for these oversight activities. Certification fees are deposited into the General Fund.

**ARC 3302B, ARC 3529B**

**Rule Summary** Terminated. Due to the extensive comments received and changes made to Chapter 29 as a result of the Notice of Intended Action published on April 14, 2004, in the Iowa Administrative Bulletin, the Department is terminating these rules.

STAFF CONTACT: Lisa Burk 281-7942

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**ENGINEERING AND LAND SURVEYING EXAMINING BOARD – DEPARTMENT OF COMMERCE**

**ARC 3471B**

**Rule Summary** The amendment clarifies the criteria for the reduction of the continuing education requirement for renewal of licensure and to make the rules more consistent with Section 272C, Code of Iowa.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson 281-6256

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**ENVIRONMENTAL PROTECTION COMMISSION – DEPARTMENT OF NATURAL RESOURCES**

**ARC 3515B**

**Rule Summary** Air pollution rule changes include:

- Modifies two existing exemptions from construction permitting to allow the burning of untreated seeds, pellets, and other vegetative materials in residential heating units.
- Makes date modifications to reference the most recent date changes to 40 Code of Federal Regulations.
- Rescinds subrule 22.2(3) that allowed a permit applicant to treat a failure of the Department to act within 120 days as a granting of the permit.
- Adopts 15 recently promulgated federal rules related to National Emission Standards for Hazardous Air Pollutants Standards (NESHAPS).
- Makes other minor corrections and updates the rules.
- Clarifies record keeping requirements and reporting of continuous monitoring information, exemptions from continuous monitoring requirements, and requests for extensions of time to install monitoring equipment are applicable to all owners and operators who are required to install continuous monitors.

**Fiscal Impact** No fiscal impact.

**ARC 3516B**

**Rule Summary** Rules for certified pump installer as passed in HF 583 (Certified Pump Installer Act) during the 2002 Legislative Session.

**Fiscal Impact** If approximately 800 pump installers initially certified at \$200 each, the first year revenue would be \$160,000. Also, approximately 480 pump installers will pay the \$200 renewal fee every other year resulting in revenues of \$96,000. Other revenue generated is from payment of application and examination fee that is estimated at \$28,000 in the second year of the two-year certification period. Annual costs to the Department are \$75,000 per year. County environmental health specialists will become the administrative authority for private well regulation.

**ARC 3517B**

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

**Fiscal Impact** No fiscal impact. The Department already reviews manure management plans. Adds the phosphorus criteria.

**ARC 3518B**

**Rule Summary** 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. Addresses concerns of the federal Environmental Protection Agency.

**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.

STAFF CONTACT: Deb Kozel 281-6767

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**ETHICS AND CAMPAIGN DISCLOSURE BOARD**

**ARC 3499B**

**Rule Summary** Reflects a statutory change from the 2004 legislative session to the definition of “regulatory agency” to include the Board.

**Fiscal Impact** No fiscal impact.

**ARC 3500B**

**Rule Summary** Clarifies the procedural requirements for a person requesting an advisory opinion from the Board.

**Fiscal Impact** No fiscal impact.

**ARC 3496B**

**Rule Summary** Clarifies the different types of campaign committees that are required to file statements of organization.

**Fiscal Impact** No fiscal impact. It brings the Board into compliance with statutory definitions.

**ARC 3498B**

**Rule Summary** Corrects code citations to the statutory provision requiring county commissioners of elections to retain campaign disclosure reports.

**Fiscal Impact** No fiscal impact. It is considered a technical change.

**ARC 3497B**

**Rule Summary** Clarifies the permissible uses of campaign funds relating to the payments to campaign workers and staff.

**Fiscal Impact** No fiscal impact.

**ARC 3502B**

**Rule Summary** Moves the assessment of civil penalties for late-filed campaign reports from Chapter 10 to Chapter 4 and reflects current Board procedures concerning the assessment and waivers of civil penalties.

**Fiscal Impact** No fiscal impact.

**ARC 3504B**

**Rule Summary** Adopts a new Chapter 5 on the permissible and impermissible use of public resources for political purposes.

**Fiscal Impact** No fiscal impact. The rule imposes conduct but does not impose fees or require the regulated community (State and local government) to expend additional resources.

**ARC 3503B**

**Rule Summary** Proposes a new Chapter 6 that sets standards for governing ethical conduct of persons in the executive branch.

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**Fiscal Impact** No fiscal impact.

**ARC 3501B**

**Rule Summary** Amends Chapter 7 to clarify the deposit, retention, and availability of personal financial disclosure statements filed by the executive branch officials, employees, and candidates for statewide office. It also clarifies when the statement is considered timely filed.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Sam Leto 281-6764

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### HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION – DEPARTMENT OF PUBLIC DEFENCE

**ARC 3519B**

**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.

**Fiscal Impact** No fiscal impact. Funding is provided in the surcharge increase filed in ARC 3544B.

**ARC 3544B**

**Rule Summary** This rule provides for an increase in the wireless E911 surcharge rate to \$0.65 per month, per wireless phone as passed by the General Assembly in SF 2298 (FY 2005 Omnibus Appropriations Act) and signed by the Governor on May 17, 2004. The new rate will go into effect on July 1, 2004.

**Fiscal Impact** The overall fiscal impact is an increase of \$2.3 million in FY 2005, which is generated from a \$0.15 monthly surcharge increase to wireless phone subscribers. The current \$0.50 surcharge generates \$7.8 million annually based on 1.3 million subscribers. The proposed \$0.65 surcharge will generate \$10.1 million annually in FY 2005 based on 1.3 million subscribers and \$10.9 million annually in FY 2006 based on 1.4 million subscribers. All funds collected will be expended within the fiscal year.

STAFF CONTACT: Jennifer Acton 281-7846

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### DEPARTMENT OF HUMAN SERVICES

**ARC 3456B, ARC 3466B**

**Rule Summary** Pursuant to HF 2350 (Family Investment Program Changes Act), changes the Family Investment Program (FIP) motor vehicle asset requirements to exclude one vehicle rather than specifying a dollar value for the vehicle.

**Fiscal Impact** Minimal fiscal impact. Estimated increase in FIP payments of \$33,000 for FY 2005 in federal Temporary Assistance to Needy Families Block Grant funds.

**ARC 3022B, ARC 3486B**

**Rule Summary** Terminated. Pursuant to 2003 Iowa Acts HF 619 (Medicaid Cost Containment Act), establishes the nursing facility quality assurance fee.

**Fiscal Impact** The original proposal envisioned by HF 619 included a “hold harmless” provision intended to minimize any losses to nursing facilities. The federal Center for Medicare and Medicaid Services (CMS) has indicated that it would not approve a proposal containing a hold harmless provision. DHS has revised the plan and resubmitted it to CMS for approval.

The rule changes included in this package were based on the original proposal, which will not go forward. The DHS will submit new rules if the revised plan is approved by CMS.

**ARC 3510B**

- Rule Summary** Makes various changes to the Family Investment Program (FIP), including:
- Requiring Family Investment Agreements to be signed by the recipient prior to enrollment in FIP.
  - Eliminating FIP eligibility for persons enrolled in an educational program higher than a bachelor's degree.
  - Recovering PROMISE JOBS expense allowances made in error from recipients.

**Fiscal Impact** Estimated net savings of \$577,000 in FY 2006 in federal Temporary Assistance to Needy Families Block Grant funding. Savings is expected to decrease in future years as applicants comply with the rule.

**ARC 3468B**

**Rule Summary** Increases the premiums charged to recipients in the Medicaid for Employed Persons with Disabilities (MEPD) Program. The premiums are charged on a sliding fee scale and will increase by 7.3%. The maximum premium increases from \$355 per month to \$381 per month.

**Fiscal Impact** Minimal fiscal impact. In FY 2004 an estimated \$774,000 in total MEPD premiums will be collected. This change is estimated to generate an additional \$28,000 in premiums in FY 2005 (State share is \$10,000) and an additional \$56,000 in premiums in FY 2006 (State share is \$21,000).

**ARC 3455B, ARC 3465B**

**Rule Summary** Pursuant to HF 2378 (Miller Trust Act), updates the statewide average cost for private nursing facility services and medical institutions figures used in calculating Miller Trusts for the purposes of Medicaid eligibility.

**Fiscal Impact** Minimal fiscal impact. This change will have a minimal affect on the number of persons eligible for Medicaid.

**ARC 3464B**

**Rule Summary** Pursuant to 2003 Iowa Acts HF 560 (MR Waiver Act), adds day habilitation as a covered service under the Medicaid Mental Retardation Home and Community- Based Services Waiver.

**Fiscal Impact** Minimal fiscal impact. Adult Day Care and Pre-vocational services were added to the MR Waiver under the same legislation. The DHS believes that the majority of recipients utilizing the new day habilitation service will transfer from those other two services.

**ARC 3453B, ARC 3462B**

**Rule Summary** Various technical changes to Medical Assistance (Medicaid) Program rules.

**Fiscal Impact** No fiscal impact.

**ARC 3454B, ARC 3463B**

**Rule Summary** Pursuant to SF 2298 (FY 2005 Omnibus Appropriations Act), amends the calculation of nursing facility reimbursement rates under the Medical Assistance (Medicaid) Program, including reducing the excess payments for direct and non-direct care by 50.0%, and adding an inflation adjustment based on the Health Care Financing Administration/Skilled Nursing Facility Index.

**Fiscal Impact** The estimated net savings assumed in SF 2298 was \$700,000. This included a savings of \$2.7 million due to the reduction in the excess payments for direct and non-direct care, and an increased cost of \$2.0 million for the inflation adjustment. An inflation factor of 2.6% was applied.

These amounts were recalculated by DHS in determining the nursing facility reimbursement rates for FY 2005. The estimates may have changed under the recalculation. Additional detail will be provided prior to the ARRC meeting.



**ARC 3452B, ARC 3461B**

**Rule Summary** Pursuant to SF 2298 (FY 2005 Omnibus Appropriations Act), provides an additional payment to state-owned hospitals with more than 500 beds for the high cost of care to Medicaid recipients.

**Fiscal Impact** Increases payments to the University of Iowa Hospitals and Clinics by \$21.5 million from State and federal funds under the Medical Assistance (Medicaid) Program. Senate File 2298 included the State match of \$7.8 million in the Medicaid budget.

Senate File 2298 requires the University of Iowa Hospitals and Clinics to revert an equal amount (\$21.5 million) from the Indigent Care Program to the State General Fund. The estimated net savings to the State General Fund is \$13.7 million. The original net savings estimate was \$16.4 million. The savings has been reduced due to adjustments to the University's Hospital Specific Limit, which is a cap on how much Medicaid reimbursement the Hospital may receive under federal regulations.

This change requires approval by the Federal Center for Medicare and Medicaid Services. The State Plan Amendment has been submitted; however, at this time the State has not received approval.

**ARC 3509B**

**Rule Summary** Clarifies existing policies related to eligibility determination for the Healthy and Well Kids in Iowa (*hawk-i*) Program.

**Fiscal Impact** No fiscal impact.

**ARC 3508**

**Rule Summary** Allows children enrolled in the Healthy and Well Kids in Iowa (*hawk-i*) Program to change health plans if there is a substantial change in the health plan's provider network. Currently, children may only change every 12 months.

**Fiscal Impact** Minimal fiscal impact. Children will only be allowed to switch in areas where there is another managed care plan available. The managed care plan rates are the same.

**ARC 3460B**

**Rule Summary** Amendment allows the second provider in a Category C child development home to meet Category B requirements.

**Fiscal Impact** No fiscal impact.

**ARC 3467B, ARC 3459B**

**Rule Summary** Provides that the purchase of social service contracts and rehabilitative treatment and supportive services contracts for FY 2005 be reimbursed at the FY 2004 rate.

**Fiscal Impact** With the FY 2005 rate continued at the FY 2004 rate, there should be no change in expenditures.

**ARC 3451B, ARC 3458B**

**Rule Summary** Provides for various changes within the State Payment Program within the DHS (State Cases). Includes the limitation of eligibility after July 1, 2004, to those with income at or below 150.0% of the Federal Poverty Level and with no more than \$2,000 in resources. Includes a rate reimbursement freeze so that the FY 2004 reimbursement rates continue for FY 2005.

**Fiscal Impact** Estimated annual savings from the changes in eligibility is \$326,000. Estimated annual savings from continuing the reimbursement rate is \$0 compared to FY 2004, or not having the cost increase by \$763,000 in FY 2005. House File 2537 (2004 MHDD Act) prohibits the Department from implementing changes within the Mental Health arena without statutory authority. Changes to the eligibility was one recommendation of the 2004 Redesign from the MHDD Commission, which has not been implemented by the General Assembly.

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### ARC 3450B, ARC 3457B

**Rule Summary** Limits adoption subsidy for attorney fees and nonrecurring expenses to \$500.00 per child, eliminates subsidy payments for child care to agreements negotiated by June 30, 2004, and limits payment for child care to the maximum allowable under the Child Care Assistance Program.

**Fiscal Impact** For FY 2005, the estimated State fund savings to the Adoption Subsidy Program will be \$332,844, including \$83,700 in savings from legal fees and \$249,144 in savings from subsidy payments for child care. It is estimated that the change will result in 33 cases that will receive assistance under the Child Care Assistance Program for an estimated net savings in federal funds of \$182,556.

For FY 2006, the estimated State fund savings to the Program will be \$581,988, including \$83,700 in savings from legal fees and \$498,288 in savings from subsidy payments for child care. It is estimated that the change will result in 93 cases that will receive assistance under the Child Care Assistance Program for an estimated net saving in federal funds of \$187,452.

### ARC 3548B, ARC 3547B

**Rule Summary** Amendment eliminates the requirement that an individual seeking correction or expungement of a child abuse report or a dependent adult abuse report must first exhaust a review process before an appeal hearing is granted. An individual seeking appeal will be directly referred to the Appeals Unit and then on to the Department of Inspections and Appeals for the scheduling of an administrative hearing.

**Fiscal Impact** No fiscal impact.

### ARC 3579B

**Rule Summary** Makes changes to how the Medicaid for Employed Persons with Disabilities (MEPD) premiums are applied. Allows for a refund under certain circumstances.

**Fiscal Impact** No fiscal impact.

### ARC 3580B

**Rule Summary** Pursuant to SF 2298 (FY 2005 Omnibus Appropriations Act), adds a new coverage group under the Medical Assistance (Medicaid) Program, limited to family planning services. This requires federal approval by CMS.

**Fiscal Impact** Estimated net savings of \$562,000 in FY 2005. Approximately 8.0% of women who leave Medicaid two months after a pregnancy return with a subsequent pregnancy within 12 months. Expanding family planning services is estimated to reduce the number of pregnancies and infants covered by Medicaid. The DHS estimates a decrease in State Medicaid costs of approximately \$1.0 million due to a reduction in pregnancies and births. The estimated cost of the State match to provide the family planning services is approximately \$438,000.

### ARC 3545B, ARC 3546B

**Rule Summary** Pursuant to SF 2298 (FY 2005 Omnibus Appropriations Act), establishes a data-matching program between the Medical Assistance (Medicaid) Program and private health insurance carriers. This will allow DHS to determine if Medicaid recipients have other insurance coverage, which will be billed prior to Medicaid payment.

**Fiscal Impact** Fiscal impact cannot be determined. This change is estimated to result in a savings, but the magnitude of the savings is unknown.

### ARC 3578B

**Rule Summary** Implements changes in the process for collecting past due child support obligations due to federal changes in the process for using federal income tax refunds to collect past due support. In addition, implements a federal option intended to increase collections.

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**Fiscal Impact** Estimated net increase in federal revenue of \$155,000 for FY 2005. This includes an increase of \$59,000 in revenue to the FIP Program.

STAFF CONTACT: Sue Lerdal 281-7794, Lisa Burk 281-7942, Jennifer Vermeer 281-4611

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### DEPARTMENT OF INSPECTIONS AND APPEALS

#### ARC 3535B

**Rule Summary** The amendments clarify the public assistance programs for which the Department seeks overpayments by including the *hawk-i*, PROMISE JOBS, and food assistance programs; change references to forms used by the Department of Human Services for the purpose of determining client overpayment; and eliminate obsolete, outdated, and redundant references pursuant to Executive Order Number 8.

**Fiscal Impact** No fiscal impact.

#### ARC 3555B

**Rule Summary** The amendments update the Department's rules pertaining to Critical Access Hospitals (CAHs) to include changes made in the federal Medicare Modernization Act. The adopted amendments increase the allowable maximum number of beds in a CAH from 15 to 25 regardless of swing bed approval, and make a corresponding technical change in a reference date for the citation of the Medicare conditions of participation for a CAH.

**Fiscal Impact** Minimal fiscal impact.

#### ARC 3552B

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

**Fiscal Impact** No fiscal impact.

#### ARC 3561B

**Rule Summary** The proposed changes deal with bingo operations, raffles, and games of skill or chance. The specific areas of 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.

**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.

STAFF CONTACT: Doug Wulf 281-3250

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### IOWA FINANCE AUTHORITY

#### ARC 3560B

**Rule Summary** Rescinds rules 265-9.1(16) through 265-9.19(16) and adopts new rules 265-9.1(16) through 265-9.15(16) concerning the Title Guaranty Division. The new rules detail the mission, organization, program and operations of the Title Guaranty Division, including the location and the means by which interested persons may obtain information and make submissions or requests.

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**Fiscal Impact** No fiscal impact. The Authority indicates that the rules simplify the process of obtaining a title guarantee certificate when refinancing a home loan, which could help reduce the cost that the consumer pays for an abstract and/or title opinion.

**ARC 3559B**

**Rule Summary** Deletes 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** As of this printing, the Iowa Finance Authority has not provided a Fiscal Impact Statement.

**ARC 3558B**

**Rule Summary** Allows the Developers cap to include a consultant, delineates the Senior Living Trust Fund process and joint review from the HOME funds, allows the use of extended use agreements, eliminates duplication of underwriting by IFA and MAP lenders for bond cap projects, amends operating, replacement reserve requirements, lengthens the time period for debt coverage ratio requirements, adds an exception for Service Enriched Scattered Site Projects of 110.0%, clarifies lease options concerning site control, requires city zoning departments to provide a statement that a plat is properly zoned, specifies that the decision to award tax credits, regardless of score or rank is up to IFA, eliminates redundancies, eliminates points awarded to a project for including a day care on site, allows the IFA Board to create a waiting list for tax credits, clarifies the appeal process is for unsuccessful projects, adds the IRS definition of “Community Service Facility” and removes definitions of “Day Care,” “Brownfield,” and “Infill.”

**Fiscal Impact** As of this printing, the Iowa Finance Authority has not provided a Fiscal Impact Statement.

**ARC 3557B**

**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. The Iowa Finance Authority did not provide a Fiscal Impact Statement or proper summary of the rules.

**ARC 3556B**

**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. The Iowa Finance Authority did not provide a Fiscal Impact Statement or proper summary of the rules.

STAFF CONTACT: Russ Trimble 281-4613

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## LABOR SERVICES DIVISION – DEPARTMENT OF WORKFORCE DEVELOPMENT

**ARC 3581B**

**Rule Summary** Adopts by reference, changes to federal occupational safety and health regulations. Adoption confers a benefit, removes a restriction and is required by state statute and federal administrative rules. The changes relate to respiratory protection for tuberculosis, commercial diving operations, and record keeping for musculoskeletal disorders. The federal standard changes create an alternative set of guidelines for decompression chambers in commercial diving, revoke the respiratory protection standard relating to tuberculosis, and delete two record-keeping provisions whose implementation was previously delayed.

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**Fiscal Impact** Minimal fiscal impact. Those who may be affected by the rule change are employers whose employees have potential exposure to tuberculosis and who are currently not operating in full compliance of the new standard. According to the Division of Labor Services, many employers may already be operating in full or partial compliance of the new standards.

**ARC 3511B**

**Rule Summary** These proposed amendments adopt by reference changes to federal occupational safety and health regulations. Adoption is required by Iowa Code subsection 88.5(1)(a) and 29 CFR 1953.23. The changes delete references to a non-existing table in the mechanical power–transmission apparatus standard, correct typographical errors in the mechanical power presses standard, and correct erroneous cross references in the telecommunications and hydrogen standards.

**Fiscal Impact** No fiscal impact. Technical changes are made to conform to federal standards.

STAFF CONTACT: Russ Trimble 281-4613

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### LANDSCAPE ARCHITECTURAL EXAMINING BOARD – DEPARTMENT OF COMMERCE

**ARC 3472B**

**Rule Summary** The proposed amendments adopt new definitions for interns and retired individuals, as well as more clearly outline the requirements for continuing education hours and reinstatement of a lapsed license.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson 281-6256

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### IOWA LOTTERY AUTHORITY

**ARC 3505B, ARC 3506B**

**Rule Summary** Chapter 11 is being amended to clarify the definition of a winning ticket, prohibiting reproductions, facsimiles, and copies. Chapter 14 is being amended as a result of comments the Authority has received and issues that have arisen during the launch of a new lottery project, monitor vending machines (MVM). MVM manufacturers cannot have a MVM retailer license or by an MVM premises operator. The MVM premises licenses shall be issued in accordance with the Lottery's business plan. Restricts the sale of tickets to MVM related individuals.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson 281-6256

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### MEDICAL EXAMINERS BOARD – DEPARTMENT OF PUBLIC HEALTH

**ARC 3565B**

**Rule Summary** Proposed amendments require applicants for licensure to submit a completed fingerprint packet and fee for the evaluation of the packet and the criminal history background checks conducted by the Division of Criminal Investigation (DCI) and the Federal Bureau of Investigation (FBI). The fee is to be considered a repayment receipt as defined in Section 8.2, Code of Iowa.

The amendment applies to those seeking initial permanent physician licensure, resident physician licensure, special physician or temporary licensure for emergency purposes, or reinstatement of a permanent license.

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Also, sets forth requirements for situations when all materials are not received from the applicant, and when the fingerprints submitted are determined to be unacceptable.

**Fiscal Impact** Minimal fiscal impact. Approximately 800 physicians per year will seek licensure that will require submission of a \$46.00 fee that will generate \$37,000, which will be used to offset the DCI, ITE, and FBI fees, as well as the cost of additional staff to conduct the checks.

**ARC 3564B**

**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 3566B**

**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.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Lisa Burk 281-7942

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## NATURAL RESOURCE COMMISSION – DEPARTMENT OF NATURAL RESOURCES

**ARC 3488B**

**Rule Summary** Boating speed requirements at Green Island and Odessa State Wildlife Areas.

**Fiscal Impact** No fiscal impact.

**ARC 3491B**

**Rule Summary** Motorboat regulations for Banner Lakes at Summerset State Park in Warren County.

**Fiscal Impact** No fiscal impact.

**ARC 3487B**

**Rule Summary** Prohibits trespassing on the Middle River Wildlife Area.

**Fiscal Impact** No fiscal impact.

**ARC 3489B**

**Rule Summary** Requires any adults that accompany children in a youth educational hunt be licensed.

**Fiscal Impact** No fiscal impact.

**ARC 3492B**

**Rule Summary** Changes to resident deer hunting season include:

- Special late season was extended to include two weekends.
- Beginning October 1, a hunter can purchase unlimited antlerless only licenses until county quotas are filled.
- Most county quotas for female deer were increased.
- Defines when a handgun can be carried to hunt deer.

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**Fiscal Impact** Minimal fiscal impact.

STAFF CONTACT: Deb Kozel 281-6767

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### DEPARTMENT OF NATURAL RESOURCES

**ARC 3490B**

**Rule Summary** Establishes the Nature Store and allows the DNR to sell merchandise, via a private contractor.

Authority to develop the Nature Store: Charter Agency agreement on page 3, line 10: May actively market program-related goods and services to Iowans and seek alternate and innovative revenue sources.

Code of Iowa authority: The Department is proposing Chapter 561-11 pursuant to the general authority of section 456A.24 (5) of the Code of Iowa which gives the Department the authority to adopt rules relating the governing procedures of the Department in order to carry out the purposes of Chapter 456A.

**Fiscal Impact** FY 2004 expenditures are estimated at \$30,000 for contractor and acquire product inventory. Funding is from the Charter Agency revolving loan fund. First year sales are estimated at \$90,000 with a 30.0% profit to the DNR. Profits will pay off a \$30,000 loan. Contractor will receive 25.0% of the profits or \$22,500. Sales estimates for FY 2006 are \$150,000 with the same percentage breakdown for profits. The DNR will use profits to expand inventory and make Nature Store improvements. Additional profits will be used for programs in need of supplemental funding, or programs where profits from specific products are advertised to support.

STAFF CONTACT: Deb Kozel 281-6767

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### NURSING BOARD –DEPARTMENT OF PUBLIC HEALTH

**ARC 3470B**

**Rule Summary** Amendment simplifies license reactivation processes. Delinquent license status eliminated. License becomes inactive if not renewed within 30 days of expiration. A standard fee is set for reactivation. Discipline and continuing education rules are modified to be consistent.

**Fiscal Impact** Minimal fiscal impact. The Board of Nursing will see a small increase in revenue due to the standardized fee, which is anticipated to be less than \$50,000 per year.

STAFF CONTACT: Lisa Burk 281-7942

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### PHARMACY EXAMINERS BOARD – DEPARTMENT OF PUBLIC HEALTH

**ARC 3569B**

**Rule Summary** Proposed amendments increase penalty fees assessed for failure to renew a license to practice pharmacy, operate a pharmacy, distribute prescription drugs at wholesale in Iowa, permit to receive or distribute precursor substances, a registration to manufacture, distribute, dispense, prescribe, or otherwise handle controlled substances in Iowa, and renew pharmacy technician registrations in a timely manner.

Also, increases fees related to the issuance of new and renewed pharmacist licenses processed between July 1, 2004, and June 30, 2005, including examination, reexamination, and license transfer processing fees. The proposed amendments increase the fee for additional original pharmacy license certificates and provide that the fee be considered a repayment receipt as defined in Section 8.2, Code of Iowa.

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Amendments also propose increasing fees related to the issuance of new and renewed pharmacy and wholesale drug licenses, new and renewed pharmacy technician and controlled substances registrations, and new and renewed precursor substances permits processed between July 1, 2004, and June 30, 2005.

**Fiscal Impact** Fiscal impact cannot be determined. However, any additional revenues generated from this increase are not expected to be significant. These penalty fees are deposited into the General Fund.

Implements SF 2298 (FY 2005 Omnibus Appropriations Act), Section 102(10)(i), which authorizes the Board to retain and expend 90.0% of revenues generated from any fee increase in FY 2005 for purposes related to the Board's duties, including 6.0 additional FTE positions for investigators. The remaining 10.0% of additional revenue will be deposited into the General Fund.

It is estimated that the increase will result in a total of \$814,000 in additional revenue, including \$733,000 (90.0%) for the Board and \$81,000 (10.0%) for the General Fund.

STAFF CONTACT: Lisa Burk 281-7942

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### PROFESSIONAL LICENSURE DIVISION – DEPARTMENT OF PUBLIC HEALTH

**ARC 3478B**

**Rule Summary** Board of Dietetic Examiners - Amendments adopt criteria for licensure renewal, applications, and how to obtain, as well as fees associated with duplicate and reissued wallet cards and certificates.

**Fiscal Impact** Minimal fiscal impact for licensees, if duplicate cards and certificates are issued.

**ARC 3476B**

**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 3536B**

**Rule Summary** Board of Psychology Examiners - Amendments change the subrule by removing a date that is no longer applicable.

**Fiscal Impact** No fiscal impact.

**ARC 3475B**

**Rule Summary** Board of Respiratory Care Examiners - Amendments change continuing education requirements for respiratory care professionals.

**Fiscal Impact** No fiscal impact.

**ARC 3477B**

**Rule Summary** Board of Athletic Training Examiners - Amendments adopt criteria for license renewal and how to obtain duplicate and reissued wallet cards and certificates and associated fees for these purposes.



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

STAFF CONTACT: Lisa Burk 281-7942

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### PUBLIC EMPLOYMENT RELATIONS BOARD

**ARC 3514B**

**Rule Summary** The purpose of these amendments is to reflect the agency's new mailing address and the physical location it will occupy effective July 30, 2004.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Russ Trimble 281-4613

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### DEPARTMENT OF PUBLIC HEALTH

**ARC 3575B**

**Rule Summary** Details the activities and responsibilities of the Birth Defects Institute and the Institute's programs, as well as the responsibilities of health care providers, birthing hospitals or birthing centers, and laboratories in complying with program activities and functions.

Also, implements changes required by HF 2362 (Stillbirth Reporting Act), including renaming the Institute to the Center for Congenital and Inherited Disorders. Amendments also detail the sharing of information and confidentiality of the Iowa Neonatal Metabolic Screening Program records and reports, modify the newborn metabolic specimen retention policy, and rename the Iowa Birth Defects Registry to the Iowa Registry for Congenital and Inherited Disorders.

**Fiscal Impact** No fiscal impact.

**ARC 3571B**

**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 establish wait list and appeals policies.

**Fiscal Impact** No fiscal impact.

**ARC 3574B**

**Rule Summary** Model rule for lead hazard remediation that can be adopted by local boards of health to be used in instances where a child is confirmed as lead poisoned.

**Fiscal Impact** No fiscal impact.

**ARC 3576B**

**Rule Summary** Amendments clarify policies for the role of the licensed dietician and other designated professional authorities in WIC operations; requirements for WIC certification and Program participation, including a new option for pre-certification of pregnant women; and requirements for selection and continued participation of WIC vendors. Also, several sections are deleted that are defined in federal rules or the federally approved State plan. Vendor contract renewals are changed from every two to three years.

**Fiscal Impact** No fiscal impact.

**ARC 3577B**

**Rule Summary** Provides for defense and indemnification to volunteer health care providers of free services at approved clinics and to eligible free clinics.

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**Fiscal Impact** Minimal fiscal impact. The Program has been assigned to the Division of Community Health within the existing budget.

**ARC 3572B**

**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 approximately \$800,000 in revenues. Of this amount, \$558,000 will be retained by the Department of Public Health, Division of Vital Statistics; \$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 approximately \$1.6 million. Of this amount, 1,116,000 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.

**ARC 3573B**

**Rule Summary** Amendments clarify some of the procedures followed by the Health Facilities Council, primarily putting what has been practice into the rules. Also, provides additional guidance in preliminary review determinations.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Lisa Burk 281-7942

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### DEPARTMENT OF PUBLIC SAFETY

**ARC 3507B**

**Rule Summary** The rule regarding video surveillance systems on excursion gambling boats are amended to allow use of digital recording technology, require use of digital technology on newly-licensed facilities, and require all facilities to have digital technology in use by January 1, 2011.

**Fiscal Impact** No fiscal impact on the Division of Criminal Investigation or the Racing and Gaming Commission. The cost for this rule will be borne by the gaming licensees. The impact is estimated to be about \$200,000 per licensee.

**ARC 3482B**

**Rule Summary** This rule would establish minimum training standards for all fire fighters in Iowa engaged in "structural" fire fighting, which is defined as fire fighting in a hazardous environment, for which a fire fighter needs personal protective equipment and a self-contained breathing apparatus.

**Fiscal Impact** The fiscal impact for this rule is estimated to be \$240,000 in FY 2005 and \$240,000 in FY 2006 obtained from tuition fees and offset with General Fund money from the Fire Fighter Training Fund. Training may be needed for new fire fighters in future years based on turnover, however, that number cannot be determined at this time. For 4,500 fire fighters to complete the 60-hour course is \$480,000 over two years. Training must be completed by July 1, 2006. There may also be some additional expenses paid by either the fire fighters or their departments or requiring additional General Fund appropriations to the Fire Fighter Training Fund.

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### ARC 3481B

**Rule Summary** This rule provides for the distribution of fire fighter training funds from the Paul Ryan Memorial Fund (sale of fire fighter license plates), Volunteer Fire Fighter Preparedness Fund (income tax check off), and distribution of funds for regional fire training facilities.

**Fiscal Impact** The fiscal impact for this rule is minimal (some accounting and clerical costs). The funds described in this rule are used as a supplement to the General Fund appropriation for the Fire Fighter Training Fund in the Justice System Appropriation Budget. In FY 2005, Fire Fighter Training received an appropriation of \$559,587. As of July 21, the cash balance in the Paul Ryan Memorial License Plate Fund is \$28,000. There is currently no cash balance in the Volunteer Fire Fighter Check Off Fund since it was just passed into law this past year, but other check off funds bring in between \$50,000 and \$180,000 per year. In FY 2004, there was \$50,000 appropriated from RIIF to regional fire training facilities.

### ARC 3480B, ARC 3479B

**Rule Summary** Extends the eligibility of survivors of emergency service providers for line-of-duty death benefits to include deaths from strokes or heart attacks, with some exceptions, which occur on duty or within 24 hours of being on duty.

**Fiscal Impact** The fiscal impact of one lump sum payment for this benefit is \$100,000. This is a standing unlimited appropriation from the General Fund. Since FY 2000, there has been one claim which was denied and is currently on appeal. To date, nothing has been paid for this benefit.

### ARC 3549B

**Rule Summary** This rule amends the Iowa Sex Offender Registry rules to reflect changes in Section XXV in Senate File 2298, (FY 2005 Omnibus Appropriations Act). The Act changed language eliminating risk assessments for the Registry and authorizing information on all registrants' be placed on the Department of Public Safety Sex Offender Registry web site, except for those convicted of statutory rape where the offense occurred before the registrant's 20th birthday.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Jennifer Acton 281-7846

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## RACING AND GAMING COMMISSION

### ARC 3449B

**Rule Summary** Implements the changes required by HF 2302 (2004 Gambling Act).

**Fiscal Impact** No fiscal impact.

### ARC 3448B

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

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Doug Wulf 281-3250

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## REGENTS BOARD

### ARC 3494B

**Rule Summary** Makes various changes to Chapter 3, "Personnel Administration," Iowa Administrative Code. These amendments are intended to change numerous references in Chapter 3 from Iowa Code Chapter 19A to Iowa Code Supplement Chapter 8A. In addition, rule 3.37(19A) is amended to eliminate the need for an annual public hearing on the pay plan. There is no longer a statutory

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requirement for a public hearing. The pay plans for union-covered staff are negotiated in the collective bargaining process. Paragraph 3.104(4)“c” is amended to strike the word “provisional.” This type of appointment was eliminated when Chapter 3 was amended in June 2002. The reference in this paragraph to “provisional” appointment was overlooked at that time.

**Fiscal Impact** No fiscal impact.

**ARC 3495B**

**Rule Summary** Makes various changes to Chapter 11, “Board of Regents Organization and General Rules,” Iowa Administrative Code. These amendments are intended to do the following:

- Provide information about the president and president pro tem of the Board of Regents.
- Update information regarding Board meeting dates and agendas and note when that information will be distributed.
- Update the address of the Board of Regents’ office.
- Distinguish between the policy-making authority of the Board and that of the institutional presidents.
- Clarify who is authorized to establish Regent committees and task forces and appoint individuals to those entities, as well as delete specific references to outdated Regent committees.
- Incorporates minor edits to enhance readability of the rules.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Mary Shipman 281-4617

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### REVENUE DEPARTMENT

**ARC 3485B**

**Rule Summary** These rules set forth amendments based on SF 2296 (Tax Policy Administration Act), which update references to the Internal Revenue Code for the research activities credit, decouple with bonus depreciation and increase in section 179 expensing, and eliminates the requirement to include voter registration forms in income tax booklets.

**Fiscal Impact** Minimal fiscal impact. Coupling with 2003 federal tax law changes related to the Research Credit will not significantly impact the General Fund.

**ARC 3484B**

**Rule Summary** Updates, modernizes, and condenses the Department’s electronic filing rule.

**Fiscal Impact** No fiscal impact.

**ARC 3527B**

**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 3570B**

**Rule Summary** The rule changes will require additional information from a taxpayer subject to the replacement tax to be included with the return filed with the Director of Revenue and will extend the time for the filing of the replacement tax return with the Director of Revenue 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

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\$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.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson 281-6256

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### SECRETARY OF STATE

**ARC 3538B**

**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 3537B**

**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 3524B, ARC 3523B**

**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 3525B, ARC 3526B**

**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: Doug Wulf 281-3250

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### TRANSPORTATION DEPARTMENT

**ARC 3551B**

**Rule Summary** Junkyard Control: Amends Chapter 116 to reflect legislation enacted during the 2003 Session. The legislation limits the DOT's regulation of junkyards to interstate highways only.

Outdoor Advertising: Amends Chapter 117 to reflect legislation enacted during the 2002 Session. The legislation, effective July 1, 2004, allows billboards to be erected in the adjacent area of interstate highways if the billboards are located in areas zoned and used for commercial or industrial purposes. The legislation also requires the DOT to adopt rules implementing Section 306B(4), Code of Iowa, as amended, and specifies that the rules be compliant with the federal Highway Beautification Act.

**Fiscal Impact** Junkyard Control: Minimal fiscal impact. The fiscal note prepared during the 2003 legislation (SF 97 – FY 2004 DOT Omnibus Act) stated that the cost-savings to the DOT for limited

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regulation of junkyards was not anticipated to be significant. The DOT states that this fiscal impact assessment has not changed.

Outdoor Advertising: Minimal fiscal impact. It is anticipated that approximately 64 new structures may be built along interstate highways over five or more years, for an estimated increase of \$13,000 over five years. Many of these signs, however, will replace older and less productive signs. The moneys collected are from permit fees, and are deposited into the Highway Beautification Revolving Fund.

**ARC 3550B**

**Rule Summary** Defines “current” and “retired” fire fighter and “fire officer.” House File 656 (FY 2004 Fire Fighter License Plates Act) provides that current and retired fire fighters are eligible to receive special Fire Fighter license plates. Prior to the legislation, current and former members were eligible to apply.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Mary Beth Mellick 281-8223

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### UTILITIES DIVISION – DEPARTMENT OF COMMERCE

**ARC 3493B**

**Rule Summary** The rule rescinds the current level payment plan rules and replaces it with a new rule that allows utilities more flexibility in establishing computation methods for calculating level payment amounts. This will allow utilities to continue to use current plans, establish a rolling-12 plan, or propose another that results in a reasonable payment amount. The Board is also proposing to move the language concerning the delinquency date for payment to a new paragraph.

**Fiscal Impact** No fiscal impact.

**ARC 3567B**

**Rule Summary** The proposed amendments update the Board's purchased gas adjustment rules and reserve margin rules. The rules will allow more flexibility in the recovery of the cost of gas and allow the utilities to use a forecasted peak day calculation to establish a reserve margin.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Ron Robinson 281-6256

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### VOTER REGISTRATION COMMISSION

**ARC 3568B**

**Rule Summary** Implements requirements of the federal Help America Vote Act.

**Fiscal Impact** Minimal fiscal impact.

STAFF CONTACT: Doug Wulf 281-3250

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### WORKERS' COMPENSATION DIVISION – DEPARTMENT OF WORKFORCE DEVELOPMENT

**ARC 3512B, ARC 3513B**

**Rule Summary** These amendments modify the existing rules regarding discovery in, scheduling of, 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

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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 3447B**

**Rule Summary** This amendment provides reference to the current tables which determine payroll taxes.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Russ Trimble 281-4613

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