

## MEMORANDUM

TO: Administrative Rules Review Committee  
 FROM: Fiscal Services Division, Legislative Services Agency  
 DATE: March 2, 2004  
 RE: Fiscal Impact of Agency Administrative Rules

House File 636 (Legislative Services Agency Consolidation Act) 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). This memorandum provides an overview of the fiscal impact of the rules presented by the agencies for the March 8, 2004 ARRC meeting.

<u>Rule</u>	<u>Rule Summary</u>	<u>Fiscal Impact Analysis</u>
<b>Accountancy Examiners Board (Dept. Commerce)</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3176B	The proposed amendments implement the transition to computerization of the Uniform National Examination for Certified Public Accountants beginning in April 2004. The proposed amendments allow a range of fees rather than a set fee to cover the cost of examination to the candidate.	No fiscal impact.
<b>Administrative Services Department</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3259B	Transfers nine chapters of personnel rules to the new agency identification number 11 for the new Department of Administrative Services.	No fiscal impact.
ARC 3160B	The purpose of this proposed rule making is to transfer rules of the former Department of Personnel, "Employee Organization Dues;" to the Department of Administrative Services, "Employee Organization Dues;" in compliance with statutory changes enacted by HF 534 (Department of Administrative Services Act).	No fiscal impact.
ARC 3161B	This action transfers rules on offset of payments owed to persons and entities with liabilities owed to State agencies from the Department of Revenue and Finance to the Department of Administrative Services. Responsibility for the offset program has been transferred from the former Department of Revenue and Finance to the new Department of Administrative Services pursuant to HF 534 (Department of Administrative Services Act).	No fiscal impact.

<u>Rule</u>	<u>Rule Summary</u>	<u>Fiscal Impact Analysis</u>
<b>Agriculture and Land Stewardship</b>		<b>LSA Contact:</b> Deb Kozel 1-6767
ARC 3152B	Reorganizes the rules for the Horse and Dog Breeding Program and imposes new disciplinary rules for persons disqualified from the Program.	Minimal fiscal impact
ARC 3121B	Updates animal exhibition requirements in Iowa for county fairs, 4-H fairs or exhibitions, or other similar exhibitions.	Minimal fiscal impact.
ARC 3170B	Establishes low pathogenic avian influenza as a reportable disease in Iowa and to implement a control program for infected flocks.	Cost to poultry producers is estimated at \$54,000 based on a cost of \$1 per test for 27,000 (equals \$27,000) and \$1 per sample to collect & mail (\$27,000).
ARC 3158B	Requires feeder pig dealers to supply a bond or an irrevocable letter of credit as a secured asset for the recovery of damages incurred by a feeder pig purchaser who suffers damages from sick or diseased pigs. The bond amount is set on a sliding scale based upon the volume of sales by the feeder pig dealer.	Minimal fiscal impact to the Department.  Iowa has 77 licensed feeder pig dealers, however, the cost of compliance cannot be determined. Most dealers will rely upon irrevocable letters of credit rather than a bond. The cost of these will vary and will depend upon the financial assets of the feeder pig dealer and their relationship with the financial institution. These costs could be substantial.
ARC 3186B	Establishes rules for facilities that provide a day care service for dogs.	The fiscal impact cannot be determined as the number of facilities that provide day care services for dogs is unknown. The workload for facility inspectors in the Department of Agriculture and Land Stewardship will increase, as they will be required to inspect the facilities.
<b>Architectural Examining Board (Dept. Commerce)</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3175B	Allows the board to impose penalties and additional continuing education requirements on registrants failing to comply with mandatory continuing education requirements.	There would be a minimal increase in revenue from the \$50 - \$250 penalty agreed to in the consent order.
<b>Attorney General</b>		<b>LSA Contact:</b> Beth Lenstra 1-6301
ARC 3129B	Quarterly escrow installments from particular non-participating manufacturers. Enforcement of Iowa's tobacco laws.	Minimal fiscal impact
<b>College Student Aid Commission</b>		<b>LSA Contact:</b> Mary Shipman 1-4617
ARC 3157B	Increases the amount of State funded loan repayment awards in the Osteopathic Physician Recruitment Program. The cap is increased from \$30,000 to \$40,000. Also, updates the official name of the university (Des Moines University), includes emergency room medicine under the category of primary care, and makes a minor change to language to reflect the definition of "eligible rural community."	No fiscal impact. The individual award caps are allowed to increase, but funding is still limited to the amount appropriated.

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ARC 3156B	Adds an additional requirement to the approval criteria for postsecondary schools.	No fiscal impact.
<b>Dental Examiners Board (Dept. Public Health)</b>		<b>LSA Contact:</b> Lisa Burk 1-7942
ARC 3139B	Specifies eligibility criteria for graduates of foreign dental schools to apply for a dental license in Iowa.	Minimal fiscal impact. It is unknown how many graduates of foreign dental schools are eligible to apply. There are only six supplemental education programs in the U.S. that fulfill the criteria of the rules. Application fees support licensure costs. Dental licensure by exam application fee is \$100 and dental licensure by credentials application fee is \$275.
ARC 3140B	Adopts new definition of monitoring nitrous oxide inhalation analgesia and training requirements for dental hygienists who want to monitor patients receiving nitrous oxide.	No fiscal impact. Licensees who wish to monitor nitrous oxide may incur some training costs.
ARC 3138B	Clarifies Impaired Practitioner Review Committee requirements and seeks to expand eligibility for the Committee.	Minimal fiscal impact. It is unknown how many new participants may self-report. There are currently 13 participants in the Program, which will not be affected by the amendments. The amendments provide for recouping the cost of program participation, which is less expensive than disciplinary action that involves attorney and administrative law judge costs, witness fees, and board per diems. Licensees who enter into informal settlements to resolve disciplinary matters already pay for monitoring costs.
<b>Department of Economic Development</b>		<b>LSA Contact:</b> Russ Trimble 1-4613
ARC 3151B	The proposed amendments include listing of application review criteria and elimination of the pre-application process for the Community Development Block Grant (CDBG) Program funds.	No fiscal impact.
<b>Department of Education</b>		<b>LSA Contact:</b> Robin Madison 1-5270
ARC 3137B	Provides expectations for school district professional development including standards, provider requirements, and career development plan expectations.	No fiscal impact to the State. The impact to local school districts will vary but should not be significant statewide.
ARC 3136B	Clarifies that certain AEA-employed teachers may be eligible for the National Board Certification financial incentives.	No fiscal impact.
<b>Educational Examiners Board</b>		<b>LSA Contact:</b> Robin Madison 1-5270
ARC 3178B	Implements a requirement in HF 549 that school districts, area education agencies, and nonpublic schools report to the Board of Educational Examiners the non-renewal or termination of an employee's contract for reasons of alleged or actual sexual misconduct or the resignation of a teacher as a result of such an incident or allegation.	Minimal fiscal impact. The Board may incur additional costs as a result of increases in the number of misconduct cases requiring investigation or the number of hearings. The Board may need to hire an additional part-time or full-time investigator within a year of implementing the new rules.

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ARC 3180B	Increases fees for practitioner licenses and authorizations.	Most fees are increasing from \$50 to \$60 for five years, or an increase of \$2 per year. This is estimated to generate \$180,000 in additional revenue in FY 2005 (partial year) and \$215,000 in FY 2006. The agency will retain 85.0% of the increase, or \$182,000 in FY 2006. The remaining 15.0% (\$33,000) will benefit the General Fund.
ARC 3198B	Modifies K-6 and 7-12 reading endorsements to reflect current national standards and performance competencies.	No fiscal impact to the State. Individual teacher candidates may pay more tuition due to the increase in semester hour requirements.
ARC 3197B	Eliminates references to post-secondary licensure and updates wording to include "career and technical," rather than "occupational and vocational."	No fiscal impact.
<b>Department of Elder Affairs</b>		<b>LSA Contact:</b> Lisa Burk 1-7942
ARC 3145B	Revisions reflect current Department policy and procedures. The Department's mailing address is corrected, provides clarification, and eliminates duplication of language. In addition, the uniform waiver procedures are moved from Chapter 1 to Chapter 11.	No fiscal impact.
ARC 3143B	The proposed rule establishes a Volunteer Long Term Care Ombudsman Program within the Office of the Long Term Care Ombudsman.	No fiscal impact.
ARC 3144B	Proposed changes update the Chapter for compliance with HIPPA requirements and remove the Area Agencies on Aging from responsibility for recruiting, training, and technical support for Resident Advocate Committee volunteers.	No fiscal impact.
ARC 3142B	Termination of previous rules dealing with assisted living programs and non-facility-based respite care - ARC 3001B.	No fiscal impact.
ARC 3146B	Provisions relating to the regulatory oversight of assisted living and adult day services programs.  <i>See Public Safety Department for more information on this topic.</i>	There are currently an estimated 180 assisted living programs in the State and it is anticipated there are an estimated 80 adult day service programs that will require certification. Currently, the total amount appropriated for these oversight activities is \$993,000, which includes \$800,000 and 6.0 FTE positions from the Senior Living Trust Fund and \$193,000 in fees that were generated from assisted living certifications in previous fiscal years to use for oversight activities in FY 2004.  For FY 2005, the Department of Inspections and Appeals requested the \$800,000 and 6.0 FTE positions from the Senior Living Trust Fund, which is no change compared to estimated net

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		FY 2004. House File 675 (FY 2004 Elder Group Home and Assisted Living Regulation Act) required that future funds from certification fees be deposited into the General Fund. If the fees are to continue to be used for assisted living and adult day service program oversight, the General Assembly will have to appropriate the fees to the Department. It is estimated that up to \$100,000 in fees will be deposited into the General Fund in FY 2004.
<b>Engineering and Land Surveying Board (Dept. Commerce)</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3141B	Results of any examination shall only be reported as pass or fail, except that the candidate who fails an examination may be provided with his or her converted score and a diagnostic report indicating areas of weakness, as available.	No fiscal impact.
<b>Environmental Protection Commission (Dept. Natural Resources)</b>		<b>LSA Contact:</b> Deb Kozel 1-6767
ARC 3155B	Establishes a single set of definitions for air quality programs in the Department of Natural Resources (DNR). The definitions assist in determining if a construction project is subject to a Prevention of Serious Deterioration Program review. Determines the activities and emission units that create a single stationary source and establishes the criteria for making that determination.	No fiscal impact to the DNR. It is estimated that each facility will save approximately \$600 (\$50 per hour x 12 hours) for each permit application. The standardized wording will decrease the amount of time used for discussion and research activities on each application.
ARC 3169B	Implements statutory requirements for formed manure storage structures built on or after January 1, 2004.	No fiscal impact to the DNR as this implements existing requirements.  May result in additional expense to producers to comply with the new standards; however, it is unknown how many producers will build these structures.  There are environmental benefits to the public and to producers, as leakage from poorly constructed structures will be reduced.
ARC 3167B	Implements statutory requirements for manure management plans to utilize the phosphorus index to determine application rates.	No fiscal impact as the Department already reviews manure management plans. Adds the phosphorus criteria.
ARC 3168B	Clarifies financial assurance for closure, post-closure, and corrective actions at municipal solid waste landfills.	No fiscal impact.
<b>Ethics and Campaign Disclosure Board</b>		<b>LSA Contact:</b> Sam Leto 1-6764
ARC 3120B	Clarifies the definitions of "committee", "candidate", and "ballot issue", terms used in the campaign laws.	No fiscal impact.
ARC 3191B	Amends Chapter 4, Campaign Disclosure	No fiscal impact. Reflects current

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	Procedures, Iowa Administrative Code regarding loans and debts by a candidate or campaign committee.	practices.
ARC 3188B	Clarify procedural requirements for filing voluntary disclosure reports and provide exception from reporting requirements.	No fiscal impact. Amendment considered technical cleanup to current rule.
ARC 3189B	Clarifies the permissible uses of campaign funds relating to the payments to campaign workers and staff.	No fiscal impact
ARC 3190B	Consolidates two current rules regarding the transfer of assets between candidate campaign committees.	No fiscal impact. Considered cleanup.
ARC 3119B	Consolidates rules with "paid for by" statement on political materials and political advertisements.	No fiscal impact. Reflects current Board policies, procedures, and advisory opinions.
ARC 3187B	Corporate contributions prohibitions do not apply to an incorporated media organization that hosts a candidate debate when at least two or more candidates are invited to participate.	No fiscal impact. There is no requirement for fees or to expend additional funds.
ARC 3192B	Clarifies that an executive branch lobbyist client must file a report disclosing compensation paid to the client's lobbyist even if the amount is zero.	No fiscal impact.
<b>Department of Human Services</b>		<b>LSA Contact:</b> Sue Lerdal 1-7794, Lisa Burk 1-7942, Jennifer Vermeer 1-4611
ARC 3163B	Rules related to HIPAA compliance.	Terminated. No fiscal impact.
ARC 3162B	Rules related to annual adjustments to State Supplementary Assistance and Medicaid.	Terminated. No fiscal impact.
ARC 3154B	Implements the Preferred Drug List (PDL) pursuant to HF 619 (Medicaid Cost Containment Act). The rules expand the prior authorization requirements.	DHS is in the process of re-procuring a contractor for the PDL. Minimal savings are anticipated for FY 2004. The PDL is projected to result in an increase in state revenue of \$1.5 million and a decrease in expenditures of \$5.2 million. The net benefit to the State is \$6.7 million in FY 2005.
ARC 3209B	Changes the terms for licensure for certain foster care programs to up to a three-year period.	No fiscal impact.
ARC 3153B	State Payment Program changes.	Minimal savings due to the withdrawal of the portion of the proposed rule change regarding reduction in reimbursements for services. The remaining changes result in minimal savings.
ARC 3185B	Amendments establish local transition committees (including department, juvenile court service, adult service system, and education staff, as well as service providers and others knowledgeable about community resources) to review and approve written transition plans for preparing youth in foster care for transition to adulthood by identifying and addressing	No fiscal impact. Implements HF 457 (Child Welfare Transition Act).

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	gaps in existing services or supports available to these youth. In addition, the rules update the term service area manager and form numbers.	
<b>Insurance Division (Dept. Commerce)</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3206B	Suspension of the Iowa Small Employer Health Reinsurance Program.	No fiscal impact.
<b>Inspections and Appeals Department</b>		<b>LSA Contact:</b> Doug Wulf 1-3250
ARC 3128B	The proposed rules make numerous technical changes to 481 IAC 50, "Health Care Facilities Administration," to bring the chapter into compliance with legislative changes and Executive Order No. 8.	No fiscal impact.
ARC 3125B	The proposed rules clarify the process used to appeal the involuntary discharge or transfer of a resident from a long-term care facility, including stipulating that an administrative law judge shall set the date, time and place for the hearing on an involuntary discharge or transfer and changing the number of days in which the Department may respond to a request for a waiver from 45 days to 120 days consistent with the Department's uniform waiver and variance rules.	No fiscal impact. The provision relating to hearings being held in facilities may actually save some costs for residents' families for attorneys and related costs, as the hearings could be held by telephone.
ARC 3126B	The adopted amendments eliminate references to the resident's physician's or qualified mental retardation professional's documentation of impairments serving as the basis for altering a resident's rights and responsibilities. The amendments provide that a resident shall only be declared incompetent by a court of law or in accordance with federal regulations.	No fiscal impact.
ARC 3127B	The rule permits long-term care facilities to make use of paid nutritional assistants to help residents who require feeding assistance. The rules stipulate the training requirements and testing of such staff.	The department is unable to determine whether adoption of the rules will have any fiscal impact on the state's nursing homes. Cost-savings associated with the employment of paid nutritional assistants may offset the expense of using nurses, certified nurse aides, etc., to assist residents. The department does not believe adoption of the rules will increase any of the department's costs associated with survey and certification activity.
<b>Medical Examiners Board</b>		<b>LSA Contact:</b> Lisa Burk 1-7942
ARC 3196	The proposed amendments require an acupuncturist to be a diplomate in acupuncture or oriental medicine from the National Certification Commission for Acupuncture and Oriental Medicine after June 1, 2004.	No fiscal impact.
ARC 3042B	The proposed amendments change the chapter title to reflect its broader purpose of	Minimal fiscal impact. Computer changes may result in an estimated cost of less than

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	physician supervision, address when a physician is ineligible to supervise, provide exemptions from the chapter, establish how a physician notifies the Board when supervising a physician assistant, and identifies the grounds for discipline in accordance with HF 628 and prior contested cases.	\$100,000.
<b>Natural Resource Comm. (Dept. Natural Resources)</b>		<b>LSA Contact:</b> Deb Kozel 1-6767
ARC 3201B	Implements modern testing requirements for motorboats as adopted by the United States Coast Guard.	Minimal fiscal impact.
ARC 3202B	Extends the time waterfowl hunters have to remove blinds and decoys from one-half hour to one hour after sunset.	Minimal fiscal impact.
ARC 3205B	Eliminates controlled duck hunting at Lake Odessa Wildlife Management during the first duck season.	Minimal fiscal impact.
ARC 3200B	Establishes waterfowl season for 2004. Makes changes to the rules related to hunting geese and Canadian geese.	Minimal fiscal impact.
ARC 3199B	Adds minimum arrow length for nonresident deer hunting. Adds Internet sales to the procedures for obtaining a license.	Minimal fiscal impact.
ARC 3204B	Increases the number of fall turkey hunting licenses for residents in Zones 4, 5, 7 and 8.	Cost of resident turkey license is \$23.00. If all licenses are filled, an additional 1,325 licenses will be sold and will generate Approximately \$30,000 in revenue to the Fish and Wildlife Trust Fund.
ARC 3203B	Proposes antlerless-only deer hunting season for 2004. Prohibits coyote hunters from using mobile radio transmitters in December. Removes restriction on bow hunters from carrying a handgun while hunting.	Minimal fiscal impact. The number of antlerless-only licenses may increase or decrease after the DNR reviews the deer harvest from the previous year.
<b>Professional Licensing Division (Dept. Public Health)</b>		<b>LSA Contact:</b> Lisa Burk 1-7942
ARC 3194B	Provides for a single Impaired Practitioner Committee for all 18 professional licensure boards.	No fiscal impact.
ARC 3133B	Board of Chiropractic Examiners - Adopts criteria for notifying the Board of name and address changes, conduct of persons in public meetings, license renewal, discipline, obtaining duplicate and reissued wallet cards and certificates, and fees associated with the re-issuance of wallet cards and certificates.	Minimal fiscal impact.
ARC 3195B	Cosmetology Arts & Sciences Examiners - The proposed amendments adopt subrules for criteria for obtaining a reissued certificate or wallet cards, fees charged for duplicate and reissued wallet cards and certificates, amends licensure by	No fiscal impact.

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	endorsement rule, and clarifies circumstances when temporary permits shall be revoked.	
ARC 3124B	Board of Examiners for Nursing Home Administrators - Adopts criteria for conduct of persons in public meetings and for licensee discipline.	Minimal fiscal impact.
ARC 3131B	Board of Optometry Examiners - Adopts criteria for notifying the Board of name and address changes, conduct of persons in public meetings, license renewal, discipline, and obtaining duplicate and reissued wallet cards and certificates, and fees associated with the re-issuance of wallet cards and certificates.	Minimal fiscal impact.
ARC 3193B	Psychology Examiners - Adopts new subrules on licensure renewal; licensure by endorsement. Also redefines the number of hours required for supervised professional experience and criteria for duplicate and reissuing a certificate or wallet card and defines fees associated with these processes.  Licensees who regularly examine, attend counsel or treat adults or children will be required at the time of renewal to show that they have completed a course approved by the Iowa Department of Public Health Abuse Education Review Panel regarding abuse identification and reporting.	No fiscal impact.
ARC 3132B	Adopts new subrules for the conduct of persons who attend public meetings, criteria for issuing a duplicate or re-issued license certificate or wallet card, and a new discipline chapter. The proposed amendments also revise the requirements for notifying the Board of a name or address change and revise procedures for license renewal that include mandatory reporting training requirements for child and dependent adult abuse.	Minimal fiscal impact. The cost is not expected to exceed \$110.00.
ARC 3165B	Board of Physician Assistant Examiners - Adopts criteria for conduct of persons in public meetings, notifying Board regarding address and name changes, license renewal, licensee discipline, and how to obtain duplicate and reissued wallet cards and certificates, and fees associated with the re-issuance of wallet cards and certificates.	Minimal fiscal impact for those who need duplicate or re-issued wallet cards and certificates.
ARC 3166B	Board of Physician Assistant Examiners - Update and clarification of rules covering physician assistant practice.	No fiscal impact.

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<b>Department of Public Health</b>		<b>LSA Contact:</b> Lisa Burk 1-7942
ARC 3150B	<p>The amendment outlines the process for reporting to the Department suspected or confirmed cases of quarantinable and other diseases that carry serious consequences or spread rapidly, as well as reporting procedures for common source epidemic or disease outbreaks of unusual numbers or under unusual circumstances.</p> <p>In addition, the amendment outlines the necessary assistance from health care providers, public, private, or hospital clinic laboratories in gathering information to conduct investigations and surveys of reportable diseases.</p> <p>The amendment also provides for the provision of examination, testing, and treatment of an individual or contact with a suspected or active quarantinable disease and outlines the provision, conditions, and principles for quarantine or isolation of individuals or groups of individuals with suspected or active disease.</p>	Fiscal impact cannot be determined. In the event of a bioterrorist attack that uses some form of biological agent causing the rapid spread of an infectious or communicable disease, or in the event of a non-bioterrorist attack due to an epidemic such as SARS or Pandemic Influenza, the cost of detection, containment, treatment, and mitigation could be significant.
ARC 3147B	Changes relating to the correction of errors, to meet federal compatibility requirements, to provide clarifications, the provision of disciplinary action, and amendments to require review training.	No fiscal impact.
ARC 3148B	Implements a program under Chapter 69 dealing with lead hazard notification to require individuals who perform renovation, remodeling, and repainting of target housing for compensation to provide an approved lead hazard information pamphlet to the owner and occupant of the housing prior to commencing work.	No fiscal impact.
ARC 3134B	Implements a program under Chapter 70 dealing with lead-based paint activities to require individuals who perform renovation, remodeling, and repainting of target housing for compensation to provide an approved lead hazard information pamphlet to the owner and occupant of the housing prior to commencing work.	No fiscal impact.
ARC 3149B	Chapter 88 provides for defense and indemnification to volunteer health care providers of free services at approved clinics. Boards of Psychology Examiners, Social Work Examiners, Behavioral Examiners, and Pharmacy Examiners were added to the five boards already included in the program. Free clinics are also now eligible for defense and indemnification.	<p>The Program will require 1.0 FTE position and operating expenses in the amount of \$77,000 for administration. The Program has been assigned to the Division of Community Health within the existing budget.</p> <p>Previously, the Program was administered between two bureaus by existing staff. The</p>

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		addition of free clinics and new professions to the indemnification piece of the Program will require more extensive coordination and the development of new policies and procedures for the Program.
<b>Public Safety Department</b>		<b>LSA Contact:</b> Jennifer Acton 1-7846
ARC 3173B	This rule would replace current exit requirements in the Fire Marshal rules with Chapter 7, Means of Egress from the 2000 edition of the Life Safety Code.	No fiscal impact. This rule would replace the current exit requirements in the Fire Marshal rules, which were last updated in 1992.
ARC 3171B	This adoption of the rule would replace the 1985 Life Safety Code edition to the 2000 Life Safety Code edition in order to meet the new requirements of the federal Center for Medicaid and Medicare Services for health care facilities eligible for Medicaid or Medicare reimbursement.	No fiscal impact. However, the rule states that as of September 11, 2003, all facilities should be compliant with the 2000 Life Safety Code. If written up for noncompliance, a facility has within a certain time period to become compliant and a certificate of occupancy is issued by the Fire Marshal's Office based upon this compliance. A facility denied a certificate due to noncompliance would become ineligible for Medicaid and Medicare reimbursement and be unable to operate legally in Iowa.
<b>Racing and Gaming Commission</b>		<b>LSA Contact:</b> Doug Wulf 1-3250
ARC 3130B	Allows for security plans, surveillance plans and internal controls of the licensees to remain confidential, and for the appointment by the administrator of an employee to assist and advise the board of stewards. Allows the Commission access to licensed employees' drug testing results, and removes the rule that would not allow a farrier to be licensed in more than one capacity. Also requires a hearing to be held on any individual whose license would still be effective after a 365-day suspension.  Clarifies when a kennel/stable name license is required and updates to reflect current practice regarding close of wagering. Establishes rules for credit and ticket payouts.	No fiscal impact.
<b>Real Estate Commission (Dept. Commerce)</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3174B	Requires real estate salespersons wanting to obtain a broker license in the first renewal term to complete the 36-hour salesperson post license course before applying for an Iowa real estate broker license.	No fiscal impact.
<b>Board of Regents</b>		<b>LSA Contact:</b> Mary Shipman 1-4617
ARC 3210B	Outlines how trainees in the Regent Merit	No fiscal impact.

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	System are paid.	
<b>Department of Revenue</b>		<b>LSA Contact:</b> Ron Robinson 1-6256
ARC 3177B	<p>New school infrastructure local option sales and services tax effective on or after April 1, 2003 through December 31, 2022.</p> <p>Item 1 amends 701—chapter 108(422E) by indicating in the title that this chapter governs school infrastructure local option sales and service tax that has been voted on and approved prior to April 1, 2003.</p> <p>Item 2 amends 701 of the Iowa Administrative Code to implement SF 445 (Local Option Sales Tax for Schools Act), and HF 683 (Iowa Values Fund Act), sections 20-25 to provide a new distribution of school local option sales and services tax for jurisdictions that have voted and approved the tax on or after April 1, 2003. This tax is also set to automatically repeal on December 31, 2022.</p>	Minimal fiscal impact.
ARC 3181B	Section 421.7, <u>Code of Iowa</u> , requires the Director of the Department of Revenue to determine the interest rate for each calendar year. The Director has determined that the rate of interest on interest-bearing taxes arising under Title XVI shall be 6.0% for the calendar year 2004 (0.5% per month). The Department will also pay interest at the 6.0% rate on refunds.	<p>The fiscal impact of the interest rate change cannot be determined.</p> <p>Taxpayers who owe taxes will benefit because the interest rate is less than for the previous year. It will be to the detriment of taxpayers who have a refund coming because they will receive less interest than for the previous year.</p>
ARC 3182B	Clarifies existing rules and removes obsolete rules or rule provisions.	No fiscal impact.
ARC 3183B	Clarifies existing rules, removes obsolete rules or rule provisions, and corrects references to Department reorganization.	No fiscal impact.
ARC 3184B	<p>Items 1-5 implement SF 453 (Reinvention Act), Sections 63--121, and SF 458 (Standings Appropriations Act), Section 142, which provides that effective July 1, 2003 the Iowa Lottery ceases to be a Division of the Iowa Department of Revenue and becomes an independent authority as a Charter Agency.</p> <p>Item 6 implements 2003 Iowa Acts, HF 624 (Farm Deer Act), Section 4, which amends the term "livestock" for the purpose of exemption from Iowa sales and use tax to include whitetail deer and mule deer, excluding free-ranging whitetail deer and mule deer.</p> <p>Item 7 implements SF 458, Section 126, to</p>	Minimal fiscal impact.

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	<p>provide that fees charged by a financial institution to a non-customer for transactions involving point of sales, service charge or access to an automated teller machine are not subject to Iowa sales or use tax.</p> <p>Item 8 implements HF 127 (Decategorization Board Membership Act) to provide that the transfer of a vehicle subject to registration from one corporation to another corporation can be exempt from Iowa use tax if certain criteria are met.</p> <p>Item 9 implements SF 366 (Probate Trust Act), Sections 1 and 2, by amending the definition of what constitutes the taxable estate and adding the definition of "stepchild".</p> <p>Item 10 implements SF 366, Section 1, to provide a reference for a definition of "stepchild".</p> <p>Item 11 implements SF 366, Section 3 to change the date on which property of an estate is valued. Previously property of an estate was valued at the date of death of the decedent. With this amendment, estates with decedents dying on or after July 1, 2003, property of an estate will be valued on the date of transfer.</p>	
<b>Department of Transportation</b>		<b>LSA Analyst:</b> Mary Beth Mellick 1-8223
ARC 3122B	New rule to adopt changes to the Federal Motor Carrier Safety Regulation and Hazardous Materials Regulations in various sections of Title 49, Code of Federal Regulations (CFR).	The fiscal impact cannot be determined. The proposed federal regulatory changes may impact motor carrier recordkeeping documentation, equipment procurement, and retrofitting of parts on vehicles or containers. The visual inspection process required by regulatory changes could impact the time required by a driver or carrier to inspect containers and equipment.
ARC 3123B	The 2002 Iowa Acts, Chapter 1140, Sections 32 and 33 transferred the responsibilities for administering the driver education program from the Department of Education (DOE) to the Department of Transportation (DOT), and required the DOT to adopt rules. Two new chapters were created, and various rules were rescinded in Chapter 600. These rules are now included in Chapters 634, 635, and 636.	No fiscal impact.

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<b>Utilities' Division (Dept. of Commerce)</b>		<b>LSA Analyst:</b> Ron Robinson 1-6256
ARC 3135B	Proposes changes to the electric energy adjustment clause rules to prevent any potential double recovery of demand charges.	No fiscal impact.
ARC 3207B	Provides that notice of waiver requests related to the electric generating siting statutes be provided to adjoining landowners.	No fiscal impact.
<b>Voter Registration Commission</b>		<b>LSA Analyst:</b> Doug Wulf 1-3250
ARC 3164B	<p>These amendments are identical to the amendments published under Notice.</p> <p>Implements Iowa Code section 48A.11. The amendment adds new elements that are required by Title III, Section 303 of the Help America Vote Act of 2002, Public Law 107-252, 42 U.S.C. 15483 to mail-in voter registration applications.</p> <p>Provides procedures to be followed if applicants submit incomplete application forms. Requires the removal of driver's license and nonoperator identification card numbers from lists of registered voters; social security numbers currently are required to be removed pursuant to Iowa Code section 48A.38(1)"f."</p>	No fiscal impact.

Please contact the LSA analyst listed for each rule, Jennifer Vermeer (281-4611), or Tim Faller (281-4615) if you have any questions.

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