



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.

HUMAN SERVICES DEPARTMENT

ARC 5819B

Rule Summary Removes references to rehabilitative and non-rehabilitative family-centered, family preservation, family foster care, and group care services from the rules except as necessary to maintain interim contracting arrangements.

Fiscal Impact **FY 2007** – The estimated fiscal impact to Child and Family Services (CFS) is a shortfall of \$634,000, which the Department will manage within the current appropriation. This assumes \$6.7 million in State matching funds budgeted for Rehabilitative Treatment Services (RTS) is retained within CFS, and any shortfall in Medicaid for the new Remedial Services Program (RSP) will be included, if needed, in the Medicaid supplemental request for FY 2007.

FY 2008 – An additional \$2.0 million will be needed for CFS in FY 2008 to maintain the average monthly population in Group Care at the FY 2007 level. An additional \$10.6 million in General Funds will also be needed in Medicaid in FY 2008 to provide remedial services for children.

House File 909 (FY 2008 Health and Human Services Bill) includes an increase \$1.3 million from the Juvenile Detention Fund and an increase of \$667,000 in General Funds to cover the additional \$2.0 million needed for Group Care. The Bill also includes an increase of \$10.6 million in General Funds for remedial services for children under Medicaid.

ARC 5816B

Rule Summary Implements annual adjustments to eligibility and payment levels in the State Supplementary Assistance Program and decrease the residential care facility and family-life home personal needs allowances by \$4 per month, from \$92 to \$88.

Fiscal Impact The fiscal impact will be an increase in General Fund expenditures of \$154,000 in FY 2007 and FY 2008.

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		ARC 5813B
Rule Summary	Adds home and community-based habilitation services as a new category of services covered under Medicaid.	
Fiscal Impact	The fiscal impact is estimated to be an increase in General Fund expenditures of \$300,000 in FY 2007 and 1.4 million in FY 2008.	
		ARC 5817B
Rule Summary	Adds case management as a covered service under the Medicaid Home and Community-Based Services Elderly Waiver. This was approved by the General Assembly in HF 2734 (FY 2007 Health and Human Services Appropriations Act).	
Fiscal Impact	House File 2734 included \$2.4 million for this purpose in FY 2007. The Program was implemented under Medicaid in October 2006, and \$1.7 million will be used under Medicaid to draw down \$2.9 million in federal funds, which is expected to lead to a savings of \$202,000 in State funds for FY 2007. FY 2008 - Assuming an increase of 11.4% in average enrollment, a decrease in the federal Medical Assistance Percentage (FMAP) rate, an increase of 10 units of service per client, and a reimbursement rate of \$70 per month, it is estimated that an additional \$600,000 may be needed in FY 2008.	
		ARC 5814B
Rule Summary	Decreases the requirement for face-to-face meetings between the service coordinator and the family receiving services in the Medicaid Infant and Toddler (Early ACCESS) Program. The change was requested by the Department of Education and approved by the Early ACCESS Executive Committee.	
Fiscal Impact	No fiscal impact.	
		ARC 5815B
Rule Summary	Section 249J.8, <u>Code of Iowa</u> , requires recalculation of the premium schedule annually based on changed in federal poverty income guidelines published by the U. S. Department of Health and Human Services. By law, the monthly premium shall not exceed one-twelfth of five percent of the member's annual family income. If the member's family income is less than 100 percent of the federal poverty level, the premium shall not exceed one-twelfth of two percent of the member's annual family income.	
Fiscal Impact	Minimal fiscal impact.	
		ARC 5818B
Rule Summary	Requires that child welfare case plans be completed in partnership with the family, and extends the timeframe for completing the plan to allow sufficient time to engage the family in the process.	
Fiscal Impact	No fiscal impact.	
		ARC 5838B
Rule Summary	Clarifies citizenship requirements for receipt of benefits under the Child Care Assistance Program.	
Fiscal Impact	No fiscal impact.	

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ARC 5840B

Rule Summary Specifies the method to add or correct information in a child abuse assessment summary by completion of an addendum report.

Fiscal Impact No fiscal impact.

ARC 5812B and 5672B

Rule Summary Reduces provider staff qualifications for family-centered parental counseling and education services from the level required for rehabilitative therapy and counseling to the level required for rehabilitative skill development services.

Fiscal Impact No fiscal impact. The rule has been terminated.

STAFF CONTACT: Lisa Burk (Ext. 17942) Jess Benson (Ext. 14611) Sue Lerdal (Ext. 17794)

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT

ARC 5832B

Rule Summary The proposed amendments clarify the process for qualifying as an eligible Entrepreneurial Ventures Assistance (EVA) Program applicant and expand the list of resources available for assisting applicants with meeting eligibility requirements.

Fiscal Impact No fiscal impact.

ARC 5833B

Rule Summary The amendments correct a previous accidental omission from the rules and extend a contract signing deadline to non-Iowa Values Fund assisted and tax credit awards. The amendments ensure that contracts are signed in a timely manner and correctly include the Enterprise Zone program in the rule that defines "employee." The Department currently has a rule, 261—2.5(2), applicable to all awards from the Grow Iowa Values Fund (GIVF) that requires recipients to sign a contract with the Department within 120 days of the award date. The proposed amendments establish a similar contract signing deadline for all non-GIVF and tax credit program awards. The amendments also add the Enterprise Zone Program to the existing rule that establishes a standard definition of "employee" for purposes of state financial assistance programs.

Fiscal Impact No fiscal impact.

ARC 5831B

Rule Summary Clarifies administrative requirements related to contract length and waiver provisions. A grantee will now be able to obtain an automatic waiver after five-years. A grantee will also be able to request a waiver during the five-year exclusive use of renewable fuel requirements. The filed rule makes one technical change.

Fiscal Impact No fiscal impact.

ARC 5834B

Rule Summary Provides the waiver criteria that the Renewable Fuel Infrastructure Board will use when acting on requests from grantees to waive repayment of grant funds and the 25.0% penalty.

Fiscal Impact No fiscal impact.

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STAFF CONTACT: Ron Robinson (Ext. 16256)

IOWA FINANCE AUTHORITY

ARC 5849B
Rule Summary Corrects references to the Iowa Rules of Civil Procedure.

Fiscal Impact No fiscal impact.

ARC 5848B
Rule Summary Implements SF 95 (FY 2007 Veterans Program Supplemental Act) by expanding the period of military service eligible for the Military Service Member Home Ownership Assistance Program and requires the issuance of a title guaranty certificate for any financed transaction which is the subject of a grant under the Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Ron Robinson (Ext. 16256)

PUBLIC HEALTH DEPARTMENT

ARC 5820B
Rule Summary Changes correct references and reflect changes made at the federal level that establish national standards, as well as changes made in coordination with the Nuclear Regulatory Commission and the federal Food and Drug Administration. Also, changes are made that are necessary to adequately enforce the rules.

Fiscal Impact No fiscal impact.

ARC 5825B
Rule Summary Consolidates the rules from rescinded Chapters 79 and 80 into one new chapter. The rules in new Chapter 80 describe the requirements for the local public health services state grant. Local boards of health, boards of supervisors, and local public health agencies will have a single chapter to reference in administering the state grant. Also, eliminates Chapter 83 because the Iowa Senior Health Program no longer receives a separate appropriation.

Fiscal Impact No fiscal impact.

ARC 5823B
Rule Summary Updates rules relating to standards for substance abuse treatment and assessment programs and the OWI law, and makes changes to update references to the Code of Iowa and federal regulations. Changes also allow substance abuse treatment programs to increase the maximum charge for screening and evaluation from \$100 to \$125.

Fiscal Impact No fiscal impact to the State. The fee increase will impact OWI clients who may now be charged more for screening and evaluation.

ARC 5821B
Rule Summary Establishes standards for the licensure and operation of gambling treatment programs.

Fiscal Impact No fiscal impact.

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ARC 5824B

Rule Summary The Department has some programs with statutory authority to issue subpoenas. This amendment outlines what needs to be included in the subpoena, the process for challenging a subpoena, and the process for resolving a challenge.

Fiscal Impact No fiscal impact.

ARC 5822B

Rule Summary Rescinds Chapter 190 relating to consent for the sale of goods and services as the Ethics Board now has rules that apply to all regulatory agency employees and officials in the area of sale of goods and services.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

PUBLIC SAFETY DEPARTMENT

ARC 5847B

Rule Summary Amends Chapter 7 to rescind all rules except those dealing with ignition interlocking devices and adopts a new Chapter (Chapter 157) with rules for alcohol and drug testing.

Fiscal Impact No fiscal impact.

ARC 5863 and 5837B

Rule Summary Changes the certificate endorsement for work on pre-engineered dry chemical and wet agent extinguishing systems so that only third-party training approved by the State Fire Marshal's Office is required. Under current rules, documentation of training is required by a manufacturer.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

EDUCATION DEPARTMENT

ARC 5767B

Rule Summary Provides secondary students in a Department of Human Services institution (Cherokee and Independence mental health institutes, Eldora State Training School, and Iowa Juvenile Home at Toledo) the same access to Post-Secondary Educational Options (PSEO) dual-credit courses as any other Iowa secondary student and provides funding.

Fiscal Impact Projects ten student per year will access courses on a full-time basis for an annual cost to the State of \$30,000.

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ARCHITECTURAL EXAMINING BOARD, PROFESSIONAL LICENSING AND REGULATION BUREAU, COMMERCE DEPARTMENT

ARC 5845B

Rule Summary Permits an out-of-state registrant to provide proof of compliance with their resident state's mandatory continuing education requirements in lieu of meeting Iowa's requirements during a period of non-registration when the out-of-state registrant applies for reinstatement of a lapsed registration.

Fiscal Impact No fiscal impact.

ARC 5843B

Rule Summary Provides a registrant the opportunity to certify architectural documents with a "secure electronic" signature that meets the requirements of Subsection 554D.103(14), Code of Iowa.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sam Leto (Ext. 16764)

ENVIRONMENTAL PROTECTION COMMISSION, NATURAL RESOURCES DEPARTMENT

ARC 5851B

Rule Summary The United States Army Corps of Engineers (Corps) re-issues their Nationwide Permits (NWPs) every five years. The Corps has also added two new Regional Permits (RPs).

The comments received were from individuals representing the Iowa Sierra Club and the Iowa Environmental Council. They requested that the Department of Natural Resources (DNR) work closely with the Corps to provide the highest possible level of protection possible for Iowa's waterbodies.

Due to federal permit changes, the DNR is proposing to certify the nationwide permits, regional permits, and their respective conditions. Based on comments received, the DNR has added two State water quality conditions that include:

- The first condition requires an individual federal Section 401 Water Quality Certificate for any projects that impact fens, bogs, seeps, or sedge meadows. These wetlands are rare and often contain threatened or endangered species
- The second condition requires an individual federal Section 401 Water Quality Certificate for nationwide permits when the Corps' district engineer has issued a waiver to allow the permittee to exceed the limits of the nationwide permit. Even though the Corps does not waive many limits, the DNR would like to review these projects to make sure that they have only minimal impacts on Iowa's waterbodies and they do not violate Iowa's water quality standards.

Fiscal Impact No fiscal impact to the State. Expenditures by the Corps and the DNR will decrease, as both agencies won't have to issue public notices for each project covered. Individual permits cost \$10 for private development and \$100 for commercial development. The fees are paid to the Corps.

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HOMELAND SECURITY AND EMERGENCY MANAGEMENT DIVISION

ARC 5826B

Rule Summary Creates a new Chapter (Chapter 12) to address Homeland Security and Emergency Management Response Teams, which are to be deployed by the State to supplement and enhance local resources during times of disaster and emergency. These rules are intended to specify how the teams and team members will be designated, minimum standards that will be maintained, and the use of the teams.

Fiscal Impact At this time, the fiscal impact cannot be determined. If the teams are not deployed under this rule, there is no fiscal impact to the State. If the teams are deployed as a State asset, they will be compensated for their expenses, subject to the availability of funds. If the team's equipment, materials, and supplies are consumed or damaged while the team is deployed under these rules, the equipment, materials, and supplies will be replaced on a replacement cost basis, subject to the availability of funds. The rules state the Homeland Security and Emergency Management Division Administrator will request funds from the Executive Council to address the financial obligations in rule 12.5(29C).

STAFF CONTACT: Jennifer Acton (Ext. 17846)

INSPECTIONS AND APPEALS DEPARTMENT

ARC 5828B

Rule Summary Changes electrical requirements for residential care facilities and nursing facilities by striking a requirement that facilities with fire and water pumps have backup emergency electrical service.

Fiscal Impact No fiscal impact to the State and adoption of the rule will reduce the costs to these facilities when undergoing major construction projects.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

INSURANCE DIVISION, COMMERCE DEPARTMENT

ARC 5835B

Rule Summary The rules located at IAC 191-50 have undergone extensive review and rewrite of all current rules. Substantive revisions were made due to changes in Chapter 502, Code of Iowa. All of existing rule IAC 191-50 is rescinded and will be replaced by these proposed rules. The securities rules have been reorganized. The rules have also been modernized by using a plain English approach. Several of the current rules will not be readopted. Several new rules are proposed. Many rules also underwent substantial revisions or contain updated versions of national model language.

Fiscal Impact There will be a minimal increase in revenues (less than \$10,000 annually) as a result of the \$100 fee for interpretive opinions and the ability to charge a fee for late filing of broker-dealer financial statements.

STAFF CONTACT: Sam Leto (Ext. 16764)

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LABOR SERVICES DIVISION, WORKFORCE DEVELOPMENT DEPARTMENT

ARC 5839B

Rule Summary Adopts a new procedural rule concerning complaints by employees of discrimination or discharge prohibited by Section 88.9(3), Code of Iowa, and adopts by reference new federal Occupational Safety and Health Standards applying to electrical equipment in general industry workplaces.

Fiscal Impact Fiscal Impact cannot be determined. There will be advantages and disadvantages for employers. There will be advantages for workers. There is no reliable way to determine the costs of these changes for Iowa. Many of the proposed rules are already industry practice and codified in other codes or standards.

ARC 5844B

Rule Summary Updates rules by replacing "facility" and "facilities" with more appropriate terminology.

Fiscal Impact No fiscal impact.

ARC 5619B and 5842B

Rule Summary Terminates the proposed rules pertaining to certain water heaters.

Fiscal Impact No fiscal impact.

ARC 5829B

Rule Summary Makes changes to blood test requirements for professional fighters.

Fiscal Impact The fiscal impact is minimal.

STAFF CONTACT: Ron Robinson (Ext. 16256)

PROFESSIONAL LICENSURE DIVISION, PUBLIC HEALTH DEPARTMENT

ARC 5811B

Rule Summary Massage Therapy Board – Rescinds Chapter 133 on continuing education and adopts a new Chapter 133 as replacement. The Board received public comments regarding the need to make continuing education categories more clear and the changes are in response to those comments.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Lisa Burk (Ext. 17942)

REAL ESTATE COMMISSION, PROFESSIONAL LICENSING AND REGULATION BUREAU, COMMERCE DEPARTMENT

ARC 5846B

Rule Summary Requires an additional 36 hours of course work before an individual can be issued a salesperson license.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sam Leto (Ext. 16764)

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TRANSPORTATION DEPARTMENT

ARC 5830B

Rule Summary Adopts the 2006 Code of Federal Regulations (CFR) for interstate for-hire motor carriers.

Fiscal Impact No fiscal impact.

ARC 5841B

Rule Summary Improves readability and understanding of the rules, removes outdated language, updates and clarifies guidelines for airport registration and safety standards, and enhances minimum safety standards for increased safety and practical application.

Fiscal Impact The fiscal impact is minimal. Airports may incur costs in complying with the rules; however, the costs are anticipated to be minimal.

ARC 5810B

Rule Summary Rescinds Chapter 830, "Rail Assistance Program," and Chapter 831, "Railroad Revolving Loan Fund." The Rail Assistance Program and the Railroad Revolving Loan Fund Program were replaced by the Railroad Revolving Loan and Grant Fund Program with the enactment of 2005 Iowa Acts, Chapter 178, Sections 31 to 34. Chapter 178 amended Sections 327H.20A, 327H.26, and 327I.8 Code of Iowa, to establish the new Railroad Revolving Loan and Grant Fund. The Department's administrative rules governing the administration of the Rail Assistance Program and the Railroad Revolving Loan Fund Program are no longer needed and are being rescinded. The Iowa Railway Finance Authority has adopted 765 – Chapter 5 to administer the Railroad Revolving Loan and Grant Fund Program.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

UTILITIES DIVISION, COMMERCE DEPARTMENT

ARC 5850B

Rule Summary The amendments are to the Board's natural gas pipeline and electric line extension rules. The amendments update the rules, clarify their application, and require customers to pay for permit fees. The Board did not to adopt a shorter refund period for developers.

Fiscal Impact No fiscal impact.

ARC 5827B

Rule Summary Sets the income limit for eligibility to participate in the Equipment Distribution Program that distributes specialized telephone equipment to deaf, hard-of-hearing, and speech-impaired Iowans. The proposed amendment would raise the income limit from the current \$57,000 for a family of four to \$70,000 for a family of four and changes the increment for each family member above or below four from \$9,000 to \$8,000.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Sam Leto (Ext. 16764)
