



## Fiscal Services Division

### ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

**September 8, 2015**

*Iowa Code section 17A.4(4) requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at <http://www.legis.iowa.gov/law/administrativeRules/arrc/fiscalImpact>*

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#### Alcoholic Beverages Division

**ARC 2106C**

**Rule Summary**      Rescinds the existing rules regarding tasting, sampling, and trade spending and adopts three distinct rules on the same subject matter to clarify and separate each individual item. The proposed amendment defines terms and explains each subject matter in greater detail.

**Agency Stated Authority:** Iowa Code section 123.21.

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

**LSA Response:** The LSA concurs.

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#### College Student Aid Commission

**ARC 2112C**

**Rule Summary**      Clarifies the reporting requirements for eligible colleges and universities under the All Iowa Scholarship Program, refines the ranking of applicants for receipt of awards, defines maximum award eligibility, and provides an option for award eligibility over a one-year or two-year period.

**Agency Stated Authority:** Iowa Code section 261.62.

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

**LSA Response:** The LSA concurs. The cost to the state is limited by the amount of the annual General Fund appropriation. The Program received appropriations of \$2.2 million in FY 2015 and \$2.7 million in FY 2016.

**Rule Summary** **ARC 2111C**  
Changes the maximum benefit an individual may receive under the National Guard Educational Assistance Program from eight semesters of study to a maximum of 120 credit hours of study.

**Agency Stated Authority:** Iowa Code section 261.86.

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

**LSA Response:** The LSA concurs. The Program received an annual General Fund appropriation of \$5.1 million in FY 2014, FY 2015, and FY 2016. The level of applications can vary greatly from year-to-year, depending upon deployment levels and other factors. If the appropriation is insufficient to fully fund all qualified applicants, the Adjutant General determines the distribution. Statute requires that individual awards not be less than 50.0% of the resident tuition rate at Iowa universities or 50.0% of the tuition rate at the institution attended by the National Guard member, whichever is lower. In practice, the General Assembly in previous years has approved supplemental appropriations, when needed, to fully fund all qualified applicants.

**Rule Summary** **ARC 2110C**  
Changes the priority order of selection criteria for awarding funding under the Teach Iowa Scholar Program. The amendments reduce Iowa resident status from the second priority to the fifth priority out of six criteria.

**Agency Stated Authority:** Iowa Code section 261.62.

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

**LSA Response:** The LSA concurs. Total Program awards are limited by the amount of the annual state General Fund appropriation. The Program received an appropriation of \$1.3 million in FY 2015. As of August 2015, only 91 teachers have received awards, totaling \$364,000. An additional 14 teachers could receive awards upon verification of eligibility. Unspent FY 2015 funding does not revert and will remain available for expenditure in FY 2016. As a result, the FY 2016 appropriation was reduced to \$400,000.

**Rule Summary** **ARC 2101C**  
Increases the maximum number of annual awards for the Governor Terry E. Branstad Iowa State Fair Scholarship from four to 10. The amendments also raise the limit on the amount awarded to an individual recipient from \$1,000 to \$5,000 and increases the limit on the scholarship awarded annually to the Iowa State Fair Queen from \$2,000 to \$5,000.

**Agency Stated Authority:** Iowa Code section 261.62.

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

**LSA Response:** The LSA concurs. Funding for the scholarships came from Governor Branstad's unspent inaugural funds. No additional deposits to the Fund are anticipated.

## Department of Corrections

### ARC 2100C

**Rule Summary** Corrects the filing of Adopted and Filed ARC 2056C as published in the Iowa Administrative Bulletin dated July 8, 2015, by rescinding its contents and restoring verbatim the text of Chapter 37 that was in effect prior to July 8, 2015.

**Agency Stated Authority:** Iowa Code section 904.804.

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

**LSA Response:** The LSA concurs.

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## Economic Development Authority

### ARC 2098C and ARC 2099C

**Rule Summary** Establishes the Program requirements for the Science, Technology, Engineering, and Mathematics (STEM) Internship Program and amends the Innovative Businesses Internship Program. These changes reflect enactment of SF 510 (Standing Appropriations Act).

**Agency Stated Authority:** Iowa Code section 15.106A.

**Fiscal Impact** **Agency Response:** The STEM Internship Program and the Innovative Businesses Internship Program receive appropriations for their respective operation. This rulemaking sets forth a process for making awards under these programs and does not require any additional expenditure.

**LSA Response:** The LSA concurs.

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## Board of Educational Examiners

### ARC 2131C

**Rule Summary** Increases 19 licensure fees by \$4 each. Current fees range from \$15 to \$500. Fee increases range from 0.8% to 26.7%. A complete list of increased fees is available from LSA on request.

**Agency Stated Authority:** Iowa Code section 272.2(2).

**Fiscal Impact** **Agency Response:** These fee increases are estimated to increase annual revenue by \$123,000. Of this total, \$92,000 (75.0%) will remain with the Board and \$31,000 (25.0%) will be deposited in the General Fund per Iowa Code section 272.10.

**LSA Response:** The LSA concurs with the fiscal impact. The increase in revenues of \$123,000 assumes 30,693 transactions will occur, a projection based on the average transaction data for the Board of Educational Examiners during FY 2013, FY 2014, and FY 2015.

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### ARC 2130C

**Rule Summary** Updates administrative rules to reflect the changes resulting from the passage of SF 131 (Board of Educational Examiners Licensure Act). Clarifies the review of the Iowa Court Information System during background checks. The changes also streamline several rules by creating a singular reference for all background check procedures.

**Agency Stated Authority:** Iowa Code section 272.2(17).

**Fiscal Impact** **Agency Response:** As the proposed changes do not require additional expenditures or staff requirements, no fiscal impact is expected.

**LSA Response:** The LSA concurs.

### ARC 2120C

**Rule Summary** Revises the current system of earning a renewal unit for serving as a cooperating teacher. The revisions strike current language related to renewal units for cooperating teachers and revise guidelines for earning units as approved by the board.

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

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

**LSA Response:** The LSA concurs.

### ARC 2121C

**Rule Summary** Allows the holder of an authorization issued by the Board of Educational Examiners to receive a one-year, nonrenewable extension of that authorization with the approval of the employer's superintendent or designee. This extension will be available for those that have not completed all of the authorization renewal requirements due to unique or extenuating circumstances.

**Agency Stated Authority:** Iowa Code section 272.1(1)(a).

**Fiscal Impact** **Agency Response:** Though the rule itself is not expected to have a fiscal impact, there is potential for a small increase in Board revenue due to the low number of individuals paying the extension fee.

**LSA Response:** The LSA concurs.

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### Department of Education

### ARC 2118C

**Rule Summary** Reflects changes enacted in SF 510 (Standing Appropriations Act). Provides exceptions to prior enrollment limitations and imposes additional reporting requirements for school districts.

**Agency Stated Authority:** Iowa Code section 256.7(5).

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

**LSA Response:** The LSA concurs.

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**Department of Inspections and Appeals**

**ARC 2080C**

**Rule Summary** Adopts the 2014 Guidelines for Design and Construction of Hospitals and Outpatient Facilities produced by the Facility Guidelines Institute as the minimum construction standards for licensed Iowa hospitals and off-site premises. The rule change allows the Department to conform with the latest Guideline recommendations.

**Agency Stated Authority:** Iowa Code sections 10A.104(5) and 135B.7.

**Fiscal Impact** **Agency Response:** As most architects and engineers already comply with these rules, no fiscal impact to the state or other regulated entities is expected.

**LSA Response:** The LSA concurs.

**ARC 2081C**

**Rule Summary** Implements changes resulting from House File 579 (Regulation of Health Care Facilities Act). Permits health care facilities to request a contested case hearing pursuant to Iowa Code chapter 17A, without first having to go through the informal conference process. Requires any state penalty to be retained or reinstated should a corresponding federal deficiency be retained or reinstated. This includes fines and citations.

**Agency Stated Authority:** Iowa Code section 135C.14.

**Fiscal Impact** **Agency Response:** There is no cost to the State, but the adoption of the rule could potentially reduce a facility's cost when contesting a Department-issued citation as the updated rule-making allows for the elimination of the additional and potentially costly process of an informal conference.

**LSA Response:** The LSA concurs.

**ARC 2122C**

**Rule Summary** Implements changes to Iowa Code chapter 73 resulting from the enactment of SF 499 (Economic Development Appropriation Act). Adds "service-disabled veterans" to the categories of applicants may seek targeted small business program certification.

**Agency Stated Authority:** Iowa Code section 10A.104(8).

**Fiscal Impact** **Agency Response:** No fiscal impact to the state. Regulated entities may experience minimal fiscal impact resulting from initial application fees. However, at this time, it is unknown how many service-disabled veterans may participate in the Program.

**LSA Response:** The LSA concurs.

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**Iowa Finance Authority**

**ARC 2077C**

**Rule Summary** Updates the reference of Qualified Allocation Plans (QAPs) for the Low Income Housing Tax Credit (LIHTC) Programs for 2016 and makes conforming and corrective changes.

**Agency Stated Authority:** Iowa Code sections 17A.3(1)(b) and 16.5(1)(r).

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 2128C**  
Strikes and replaces the Title Guaranty Division chapter to clarify the rules, align the language with statutory authority and current practice, and streamline the process for obtaining a title plant waiver. Such a waiver is defined as a compilation of all instruments of record that may impact a title to real property.

**Agency Stated Authority:** Iowa Code section 16.

**Fiscal Impact Agency Response:** No fiscal impact. No appropriated funds are used and the proposed changes are not expected to affect revenue generated by the Program.

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 2127C**  
Amends and clarifies rules relating to the Iowa Agricultural Development Division's programs. Adopts the following amendments:

- Permits contract farming contracts for a term of 24 months and not the current 12 months.
- Provides the Iowa Agricultural Development Division with greater flexibility as it relates to loan terms under the Loan Participation Program.
- Provides the Authority with greater flexibility related to the amount of a tax credit award.

**Agency Stated Authority:** Iowa Code sections 17A.3(1)(b) and 16.5(1)(r).

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

**LSA Response:** The LSA concurs.

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**Iowa Public Information Board**

**Rule Summary** **ARC 2093C**  
Amends existing rules stating that if the Board Chairperson is unavailable, the elected Vice Chair may preside over the event or meeting instead. This clarification adds continuity to existing rules and is to the benefit of the public.

**Agency Stated Authority:** Iowa Code section 23.6.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 2088C**  
Places into rule current Board procedures regarding issuing advisory opinions and provides guidelines for requesting and processing advisory opinions. This rulemaking provides the Board with authority to issue opinions without first being requested to do so.

**Agency Stated Authority:** Iowa Code section 23.6.

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

**LSA Response:** The LSA concurs.

**Rule Summary** Clarifies and applies the definition of “conflict of interest” rule to all staff, including the Executive Director. This rulemaking also provides guidelines regarding how to handle a conflict of interest, and reflects the State Code of Ethics as found in Iowa Code chapter 68B. **ARC 2090C**

**Agency Stated Authority:** Iowa Code section 23.6.

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

**LSA Response:** The LSA concurs.

**Rule Summary** Adopts procedures for processing and reviewing filed complaints. This rulemaking allows the Board to delegate acceptance or dismissal of a complaint to the Executive Director to expedite proceedings, subject to review of the Board. **ARC 2089C**

**Agency Stated Authority:** Iowa Code section 23.6.

**Fiscal Impact Agency Response:** No fiscal impact. This rulemaking simply reflects current procedure.

**LSA Response:** The LSA concurs.

**Rule Summary** Adopts a new Chapter related to Board decisions involving complaints of open meetings laws. The amendment includes guidelines regarding when and where to post meeting notices, as well as how to handle closed session meetings. **ARC 2091C**

**Agency Stated Authority:** Iowa Code section 23.6.

**Fiscal Impact Agency Response:** No fiscal impact. The proposed rulemaking does not impose new obligations on the regulated community as it already prints and posts meeting notices.

**LSA Response:** The LSA concurs.

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**Labor Services Division**

**Rule Summary** Revises procedures for issuing child labor work permits to reflect enactment of HF 397 (Child Labor Act). These rules are not identical to the published Notice of Intended Action. A change was made to reflect that the applicant for a child labor permit is the parent, custodian, or guardian, rather than the minor. An adjustment was made to language related to the filing date for work permits. Additional conforming changes were also made. **ARC 2134C**

**Agency Stated Authority:** Iowa Code sections 91.6 and 92.21.

**Fiscal Impact**      **Agency Response:** No fiscal impact to the State. These are simply conforming amendments.

**LSA Response:** The LSA concurs.

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**Natural Resource Commission**

**ARC 2087C**

**Rule Summary**      Amends rules for the hunting season for snipe, Virginia Rail and Sora, woodcock, ruffed grouse, and dove. The updates include amending season dates, bag limits, possession limits, shooting hours, and areas open to hunting for the listed species. The amendment also increases the possession limits for common snipe, Virginia Rail and Sora, woodcock, and doves, and is based on what the Department of Natural Resources estimates the possession limits will be for these species from meetings with the United States Fish and Wildlife Service (USFWS).

**Agency Stated Authority:** Iowa Code section 455A.5.

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

**LSA Response:** The LSA concurs.

**ARC 2086C**

**Rule Summary**      Amends deer hunting regulations for residents and includes season dates, bag limits, possession limits, shooting hours, areas open to hunting, licensing procedures, means and methods of take, and transportation and reporting requirements. Adopts the following amendments:

- Allows the same kind of broadhead for use with crossbows during the late muzzleloader season as those allowed for archery equipment during the regular bow season.
- Allows medical doctors, doctors of osteopathy, physician assistants, and nurse practitioners to certify a qualifying condition on a disabled hunter license affidavit to allow these hunters more flexibility in meeting this requirement.

There will be no changes to the antlerless deer quotas as the deer herd has stabilized.

**Agency Stated Authority:** Iowa Code section 455A.5.

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

**LSA Response:** The LSA concurs.

**ARC 2133C**

**Rule Summary**      Exempts the future management of Honey Creek Resort State Park from existing concession rules. The exemption allows more flexibility and maintains the Resort with minimal public, financial, and administrative resources. Current concession rules are geared toward concessionaires that sell firewood, maintain vending machines, or may operate a single facility that sells food. The rule change requires the Honey Creek Resort State Park management team to be governed by competitive-bid contracts.

**Agency Stated Authority:** Iowa Code section 455A.5.



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

**LSA Response:** The LSA concurs.

### **ARC 2129C**

**Rule Summary**      Revises the rules for hunting waterfowl and coot:

- Changes season dates and rules as required by the federal Fish and Wildlife Service.
- Ensures the seasons are open on weekends.
- Continues a special September teal season. This special teal season allows 16 days of additional hunting for all species of teal.
- Adjusts zones and season dates to provide different opening and closing dates for the duck season in each zone.

**Agency Stated Authority:** Iowa Code section 455A.5.

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

**LSA Response:** The LSA concurs.

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### **Department of Natural Resources**

### **ARC 2092C**

**Rule Summary**      Implements the State Lands Volunteer Program created in HF 2397 (Volunteers Liability Protection on State Lands Act). Allows select nonprofit organizations, and the individuals working for them, to be eligible for liability protection under Iowa Code chapter 669 (State Tort Claims Act), while performing qualifying volunteer services for the Department.

**Agency Stated Authority:** Iowa Code section 669.24.

**Fiscal Impact**      **Agency Response:** The fiscal impact cannot be determined.

**LSA Response:** The LSA concurs.

### **ARC 2132C**

**Rule Summary**      Details the process for qualified nonresident, disabled, active members or veterans of the armed forces to obtain special hunting privileges. There will be 25 nonresident deer licenses and 25 turkey and small game licenses allocated.

**Agency Stated Authority:** Iowa Code section 455A.4.

**Fiscal Impact**      **Agency Response:** The 50 licenses will be sold at resident prices instead of nonresident, so there will be a small decrease in fees to the Fish and Game Trust Fund.

**LSA Response:** The LSA concurs.

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**Professional Licensure Division**

**ARC 2094C**

**Rule Summary** Adds exhibiting unprofessional conduct or behavior as grounds for imposing Board discipline for the Board of Chiropractic Physicians. Also makes technical correction.

**Agency Stated Authority:** Iowa Code chapters 147, 151, and 272C.

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

**LSA Response:** The LSA concurs.

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**Department of Public Health**

**ARC 2083C**

**Rule Summary** Updates and adds language to protect the confidentiality of a subject during a contested case hearing, removes references to outdated guidance documents, provides clarification of existing language throughout the chapter, and adds and removes various poisoning and communicable infectious diseases to the current list of conditions in Appendix A. Define the times and circumstances that the State Hygienic Laboratory will examine a specimen without charge.

**Agency Stated Authority:** Iowa Code chapters 135, 136A, 139A, 141A, and 144.

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

**LSA Response:** The LSA concurs.

**ARC 2082C**

**Rule Summary** Defines roles and responsibilities of the Department and providers for infants that did not receive a hearing screen at birth or did not pass their hearing screen. Requires follow up to determine if the child has a hearing loss or normal hearing. The updates clarify who is eligible to perform hearing screens on infants and children under the age of three, add references to best practice and guidance documents, add language to accommodate parental objection beyond the newborn hearing screen for infants and children needing further follow up, eliminate unnecessary code citations, and further outline the role of the advisory committee members including service, attendance, and voting.

**Agency Stated Authority:** Iowa Code section 135.131.

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

**LSA Response:** The LSA concurs.

**ARC 2084C**

**Rule Summary** Creates a new chapter that defines the process for the development, review, modification, and posting of the Iowa Physician Orders for Scope of Treatment (POST) form. The POST form is a document containing medical orders that may be relied upon across medical settings that consolidates and summarizes a patient's preferences for life-sustaining treatments and interventions and acts as a complement to and does not supersede any valid advance directive.

**Agency Stated Authority:** Iowa Code section 144D.2.

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

**LSA Response:** The LSA concurs.

**Rule Summary**      Terminates the rule making commenced in ARC 1950C related to the Central Registry for Brain and Spinal Cord Injuries. The Iowa Department of Public Health (IDPH) plans to renotice revised rules at a future time.

**ARC 2135C**

**Agency Stated Authority:** Iowa Code section 135.22.

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

**LSA Response:** The LSA concurs.

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**Department of Revenue**

**Rule Summary**      Moves existing Property Assessment Appeal Board (PAAB) rules into a new subchapter to allow for more efficient access for PAAB constituents with regards to appeals of property assessment claims. All appeals filed prior to January 21, 2015, will remain under the purview of the current rule until all such appeals are closed.

**ARC 2108C**

**Agency Stated Authority:** Iowa Code sections 17A.4 and 421.1A(4)“e”.

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

**LSA Response:** The LSA concurs.

**Rule Summary**      Amends Iowa Administrative Code (IAC) reference to excise taxes on motor fuel and special fuel, establishes a biodiesel distribution percentage formula, and updates terminology and references to the Iowa Code. These updates reflect the enactment of Senate File 257 (Motor Fuel Tax Act).

**ARC 2123C**

Increases Iowa’s motor fuel tax for gasoline, gasohol, and diesel fuels by 10.0 cents per gallon. Fuels impacted by this increase include ethanol-blended gasoline, unblended gasoline, diesel, biodiesel, compressed natural gas (CNG), liquid petroleum gas (LPG), and liquefied natural gas. Increases the tax on special aviation fuel in aircrafts from 3.0 to 5.0 cents per gallon

**Agency Stated Authority:** Iowa Code section 17A.3, 421.14, and 452A.59.

**Fiscal Impact**      **Agency Response:** Fiscal impact estimates are taken from the fiscal note for SF 257.

**LSA Response:** Fuel taxes collected in the last four months of FY 2015 reflect an estimated increase of \$79.2 million compared to the prior tax rates. The fiscal note estimated revenue to the Road Use Tax Fund would increase an average of \$200.0 million per year from FY 2016 to FY 2020.

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**Department of Transportation (DOT)**

**ARC 2070C and ARC 2071C**

**Rule Summary** Conforms current rules with federal regulations, 49 CFR part 383, and reflects legislative changes in House File 635 (2015 Transportation Omnibus). The updated rules now require a commercial driver's license (CDL) applicant to hold a Commercial Learner's Permit (CLP) for 14 days before applying for a CDL. At the end of the 14 day period, the applicant is required to pass a skills test. A CLP is valid for 180 days. The rule adopts the following changes:

- Conforms with federal regulation related to the skills and knowledge test, and determining gross vehicle weight used in testing.
- Adds a waiver of skills testing for active duty military applicants and applicants that have left active duty within a year.
- Updates definitions.
- Requires CDL applicants to provide proof of U.S. citizenship or lawful residence and state of residence.
- Adds restrictions related to CDL and CLP that comply with federal regulation.

**Agency Stated Authority:** Iowa Code sections 307.12, 307A.2.

**Fiscal Impact** **Agency Response:** The fiscal impact of these rules will match the fiscal note for HF 635. These rule amendments implement federal requirements. Failure to implement these changes may threaten federal funding to the DOT.

**LSA Response:** The LSA concurs. Requiring learner's permits will increase revenue to the Statutory Allocations Fund (SAF) by an estimated \$48,000 each fiscal year beginning in FY 2016. Year-end SAF resources are transferred to the Road Use Tax Fund (RUTF) the following fiscal year. Therefore, these changes will increase RUTF revenue beginning in FY 2017.

**ARC 2117C**

**Rule Summary** Eliminates outdated Code language, makes changes for clarity and consistency, adopts technical changes, and expands the retention period for waiver records. The DOT reviewed these three chapters as part of the five-year review of all of its rule chapters.

**Agency Stated Authority:** Iowa Code sections 307.12 and 307A.2 as amended by HF 635.

**Fiscal Impact** **Agency Response:** These proposed rule changes reflect current procedures, Code citations, and make technical changes. There is no fiscal impact to the State.

**LSA Response:** The LSA concurs.

**ARC 2126C**

**Rule Summary** Updates the IAC to include the current formula for distributing funding from the Secondary Road Fund to counties for road construction as result of the enactment of HF 635 (2015 Transportation Omnibus). The current formula was phased in over a five-year period ending in FY 2011. The updates also clarify that the Executive Director of the Iowa County Engineers Association Service Bureau is a nonvoting member of the committee. Language regarding the transition phase as completed is removed.

**Agency Stated Authority:** Iowa Code sections 307.10 and 312.3C, and 307A.2

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**Fiscal Impact**      **Agency Response:** The original rules adopted the initial formula for distribution of road funds to counties and defined the process for revising formulas. These proposed changes update the rules now that the transition phase of the county road fund distribution formulas has been completed. The formulas are now included in the rules.

**LSA Response:** The LSA concurs.

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### Insurance Division

**Rule Summary**      Amends the manner that an insurance company may seek the insurance commissioner's approval of a proposed electronic means of delivery. These reflect the enactments of HF 504 (Insurance Notes Act). **ARC 2078C**

**Agency Stated Authority:** Iowa Code section 505.8.

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

**LSA Response:** The LSA concurs.

**Rule Summary**      Amends the filing deadline for crop-hail insurance rate filings from March 15 to January 31 of each year. This will allow for better coordination with the filing deadlines of federal crop-hail insurance. **ARC 2103C**

**Agency Stated Authority:** Iowa Code section 515F.15.

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

**LSA Response:** The LSA concurs.

**Rule Summary**      Updates the Department's current rules as a result of the passage of HF 632 (Insurance Division Omnibus Act). The amendments require entities that wish to make Form D filings or Rule 506 offerings to do so electronically. The updates also require investment advisers to create business continuity plans and change fees for notice filings for investment company securities offerings, among other rule updates. **ARC 2079C**

**Agency Stated Authority:** Iowa Code section 502.65.

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

**LSA Response:** The LSA concurs.

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### Nursing Board

**Rule Summary**      Revises the Nursing Board Chapter 4, related to Board Discipline and creates Chapter 20, as related to Contested Cases. **ARC 2109C**

**Agency Stated Authority:** Iowa Code chapters 17A, 147, 152, 272C, and 272D.

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

**LSA Response:** The LSA concurs.

**ARC 2085C**

**Rule Summary** Creates a new Chapter to provide an Iowa Nurse Assistance Program Committee to support the evaluation and monitoring of licensees that are impaired as a result of alcohol or drug dependency, addiction, or by any mental or physical disorder or disability, while protecting the health, safety, and welfare of the public.

**Agency Stated Authority:** Iowa Code section 272C.3(1)"k", 272C.6(4), and 28E.4.

**Fiscal Impact** **Agency Response:** Estimated expenses include the cost of one new full-time employee and the costs to recruit and hire this individual along with new equipment for the work environment as well as the cost for committee member expenses including electronic equipment, pay and travel expenses and miscellaneous travel, and marketing expenses to educate nurses on the availability of this new Program.

**LSA Response:** As increased expenditures will be covered by licensing fees paid to the Board of Nursing, no fiscal impact to the General Fund is expected. The Board is seeking to add an Executive Officer 2 to the staff to manage the program, but is still waiting for approval. Total cost to the Board for salary and benefits for this position ranges from approximately \$74,000 to \$105,000, one-time costs for a new employee are estimated at \$10,000, and annual board support estimated around \$5,000. Exact costs in FY 2016 will depend on when the position is filled, but annual ongoing costs will be in the \$80,000 to \$110,000 range.

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**Iowa Commission on Volunteer Service**

**ARC 2107C**

**Rule Summary** Defines the Iowa Reading Corps Program, eligibility criteria, funding designation, administration, and application process. Select prekindergarten through third grade students will receive evidence-based tutoring designed to increase their literacy skills and improve their reading level.

**Agency Stated Authority:** Iowa Code Chapter 15H and section 17A.3.

**Fiscal Impact** **Agency Response:** The Commission does not anticipate a fiscal impact to the state. The rules simply provide Program eligibility criteria.

**LSA Response:** The LSA concurs.

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**Department of Human Services**

**ARC 2113C**

**Rule Summary** Implements the provider qualifications, service scope, and reimbursement methodology for community-based neurobehavioral rehabilitation residential and intermittent services under the Medicaid Program.

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

**Fiscal Impact** **Agency Response:** The fiscal impact of this rule cannot be determined. This rule change will add community-based neurobehavioral rehabilitation services as a covered benefit under Medicaid. Currently, this service is paid through the exception

to policy (ETP) process. Once the service is formally in rule, it is likely that more providers will be interested in enrolling to provide the service.

The fiscal impact resulting from this potential expansion will be dependent on the situation of the individuals accessing services. If an individual moves from a higher cost out-of-state facility, there will be savings. If an individual moves from a lower cost institutional or community setting, there will be additional costs.

**LSA Response:** The LSA concurs.

**ARC 2115C**

**Rule Summary**

Makes the following changes:

- Changes the name of the “Assisted Living On-Call” service to the “Assisted Living” service pursuant to directions from the Centers for Medicare and Medicaid Services (CMS).
- Revises the description of the service to agree with the CMS-approved description, including references to Consumer-Directed Attendant Care (CDAC) agreements.
- Includes the CMS requirement for a documented daily Assisted Living encounter with the member.

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

**Fiscal Impact**

**Agency Response:** No fiscal impact.

**LSA Response:** The LSA concurs.

**ARC 2096C**

**Rule Summary**

Provides that in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided and requires health care services provided through in-person consultations or through telehealth to be treated as equivalent services for the purposes of reimbursement for Medicaid.

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

**Fiscal Impact**

**Agency Response:** No fiscal impact.

**LSA Response:** The LSA concurs.

**ARC 2075C and ARC 2076C**

**Rule Summary**

Changes the current threshold of inpatient readmissions within seven days at the same hospital to inpatient readmissions within 30 days at the same hospital. As a function of the current rule language, the IME will combine claims for all inpatient readmissions for the same condition occurring within 30 days, as opposed to the previous threshold of seven days.

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

**Fiscal Impact**

**Agency Response:** This change is estimated to save the General Fund \$500,000 per-year in FY 2016 and FY 2017. These changes are related to cost-savings initiatives that were part of the basis for the Department’s budgets for state fiscal years 2016 and 2017.

**LSA Response:** The LSA concurs.

**ARC 2095C**

**Rule Summary** Implements a new standardized assessment tool, the Supports Intensity Scale (SIS), to assess recipients of Intellectual Disability (ID) waiver services. The tool will be administered by an independent entity under contract with the Department.

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

**Fiscal Impact** **Agency Response:** This change is estimated to save the General Fund \$2.8 million in FY 2016. This change was required by SF 446 (FY 2014 Health and Human Services Appropriations Act).

**LSA Response:** The LSA concurs.

**ARC 2073C**

**Rule Summary** Updates rules regarding the definition of “child care” and “allowable licensing exemptions” and removes “examples” from the fee schedule pursuant to HF 347 (Licensure of Child Care Progress Act). Child care facilities previously exempt from licensing when operating under the Department of Education are no longer exempt.

**Agency Stated Authority:** Iowa Code section 234.6.

**Fiscal Impact** **Agency Response:** No fiscal impact to the Child Care Assistance Program because new licensing work will be absorbed by existing staff.

**LSA Response:** The LSA concurs.

**ARC 2069C**

**Rule Summary** Implements federal law changes related to the Preventing Sex Trafficking and Strengthening Families Act (Public Law 113-183). Adopts the following amendments:

- Implements procedures and training for the identification of, and services to, victims and potential victims of sex trafficking.
- Enhances foster care transition programs and training to ensure caretakers make the best decisions to prepare youth for adulthood.
- Makes technical corrections.

**Agency Stated Authority:** Iowa Code section 217.6.

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

**LSA Response:** The LSA concurs.

**ARC 2124C**

**Rule Summary** Implements a 5.0% provider rate increase for resource family recruitment and retention contracts, child welfare emergency services contractors (CWES), including shelter care, and supervised apartment living (SAL) foster care providers as required by the SF 505 (Health and Human Services Appropriations Act).

**Agency Stated Authority:** Iowa Code section 217.6.

**Fiscal Impact** **Agency Response:** An increase in General Fund expenditures of \$659,000 is expected.

**LSA Response:** The LSA concurs. Funding was provided in SF 505 (Health and Human Services Appropriations Act).



**ARC 2114C**

**Rule Summary** Implements the changes in employment service definitions as provided by the Centers for Medicaid Services (CMS) in the September 16, 2011, Informational Bulletin and the 2015 Technical Guide. This rule changes the provider qualifications, service scope, duration, limitation, and reimbursement methodologies for the Home and Community-Based Services (HCBS) Prevocational and Supported Employment Services within Habilitation Program and the Intellectual Disability (ID) and Brain Injury (BI) waivers.

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

**Fiscal Impact** **Agency Response:** Minimal fiscal impact. The expanded employment services and rates will increase Medicaid costs, but this will be offset by lower prevocational rates and a shift in some services to Iowa Vocational Rehabilitative Services (IVRS). The implementation model predicts budget neutrality in the first year (FY 2016) and budget savings in future fiscal years.

**LSA Response:** The LSA concurs.

**ARC 2097C**

**Rule Summary** Caps the per member costs for aggregate Intellectual Disability (ID) Waiver services to an amount equal to the per diem rate for intermediate care facilities for persons with intellectual disabilities (ICF/ID) established for the fiscal year, converted to a monthly amount.

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

**Fiscal Impact** **Agency Response:** This change is estimated to save the General Fund \$1.0 million in FY 2016 and FY 2017. The rule changes being proposed are related to cost-savings initiatives that were part of the basis for the Department's budgets for per year for FY 2016 and FY 2017.

**LSA Response:** The LSA concurs.

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**Department of Administrative Services**

**ARC 2072C**

**Rule Summary** Amends certain rules related to the management of Terrace Hill in order to reflect and clarify the practice of the Terrace Hill Commission.

**Agency Stated Authority:** Iowa Code section 8A.326.

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

**LSA Response:** The LSA concurs.

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**Department of Agriculture and Land Stewardship**

**ARC 2104C**

**Rule Summary** Amends rules to implement HF 634 (FY 2016 Department of Agriculture and Land Stewardship Departmental Act). This includes eliminating a 1985 date used to qualify horses and dogs for the Iowa Horse and Dog Program. The changes also adopt the most recent manuals for dairy inspections.

**Agency Stated Authority:** Iowa Code section 159.5.

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

**LSA Response:** The LSA concurs.

**ARC 2105C**

**Rule Summary** Adds two new definitions of purchased grain used for the assessment of fees paid into the Iowa Grain Depositors and Sellers Indemnity Fund:

- Grain entered in the company-owned paid position as a cancellation of a collateral warehouse receipt.
- Grain entered in the company-owned paid position as an intra-company location transfer.

Adds exemptions to payment of the participation fee for the grain dealer that provides satisfactory documentation to the Department. Exemptions include:

- Grain purchased from the United States government, subdivision, or agencies.
- Grain purchased from a person licensed as a grain dealer in any jurisdiction.
- Grain purchased under a credit-sale contract.
- Grain entered in the company-owned paid position as a cancellation of a collateral warehouse receipt.
- Grain entered in the company-owned paid position as an intra-company location transfer.

**Agency Stated Authority:** Iowa Code sections 203.2 and 203D.4. House File 634 (FY 2016 Department of Agriculture and Land Stewardship Department Act), refer to sections 12 through 15.

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

**LSA Response:** The LSA concurs.

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**Homeland Security and Emergency Management Department**

**ARC 2119C**

**Rule Summary** Expands the definition of government entity and adds the Iowa Department of Revenue as an ex officio non-voting member of the Flood Mitigation Board. These changes implement HF 616 (Property Tax Assessment and Notes Act) and HF 655 (Wireless Cell Tower Citing Act).

**Agency Stated Authority:** Iowa Code chapter 418.

**Fiscal Impact** **Agency Response:** The proposed amendments will allow for multi-county and multi-city applications to be considered by the Flood Mitigation Board. This will allow for larger projects to be considered but will not change the fiscal aspects of the program.

**LSA Response:** The LSA concurs.

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**Secretary of State**

**ARC 2074C**

**Rule Summary** Adopts amendments related to computers in vote tabulation. Proposes amendments recommended by the Iowa Board of Voting Equipment Examiners to ensure that the computers used to tabulate election results are secure, and that county commissioners acknowledge risks associated with connecting election computers to the county network and/or the internet.

**Agency Stated Authority:** Iowa Code sections 47.1 and 17A.4.

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

**LSA Response:** The LSA concurs.

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**Soil Conservation Division**

**ARC 2102C**

**Rule Summary** Changes the Division's name to the Division of Soil Conservation and Water Quality and amends the limitation on management practices for individual soil and water conservation districts as stated in HF 634 (FY 2016 Department of Agriculture and Land Stewardship Department Act).

**Agency Stated Authority:** Iowa Code section 161A.4(1).

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

**LSA Response:** The LSA concurs.

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**Utilities Division**

**ARC 2116C**

**Rule Summary** Reflects changes enacted in HF 645 (Renewable Energy Tax Credits Act). The change allow for municipally owned city utilities and rate regulated public utilities to be included in the list of types of facilities that may apply for renewable energy tax credits under Iowa Code Chapter 476C.

**Agency Stated Authority:** Iowa Code sections 17A.4 and 476.1.

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

**LSA Response:** As the rules themselves simply expand the list of facilities eligible to apply for renewable energy tax credits, no fiscal impact is expected. The change was a portion of HF 645. The overall fiscal impact of HF 645 is available in the fiscal note.

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