



## Fiscal Services Division

### ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

**January 8, 2016**

*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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#### Department of Human Services

**ARC 2272C**

**Rule Summary** Permits families with an adult that is a nonqualified alien to apply for and receive Family Investment Program (FIP) for their children (qualified aliens or citizens) for more than 60-months if the family meets hardship criteria and all other FIP eligibility criteria.

**Agency Stated Authority:** Iowa Code sections 217.6, 249A.4, and 239B.4(6).

**Fiscal Impact** **Agency Response:** This change is anticipated to increase General Fund expenditures by \$27,000 in FY 2016, \$157,000 in FY 2017, and \$216,000 in FY 2018. The FIP appropriation for FY 2016 enacted in SF 505 (FY 2016 Standing Appropriations Act) includes sufficient funding for the anticipated increase in these expenditures due to decreasing caseloads for other categories of FIP benefits. The Department of Human Services (DHS) assumes the rule will not go into effect until February 1, 2016. Therefore, the FY 2016 estimate is significantly lower than the FY 2017 estimate. The DHS assumes there will be a maximum average of 88 monthly cases on an ongoing basis that will be impacted by this rule, but it will take until FY 2018 to reach that maximum level. The total impact for all funds is shown below.

**LSA Response:** The LSA concurs.

Estimated Expenditures			
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
General Fund	\$ 27,270	\$ 156,693	\$ 216,128
Federal Funds	3,694	21,887	30,189
Other (FIP share of Child Support Collections and Recoupments)	<u>8,099</u>	<u>47,984</u>	<u>66,185</u>
<b>Total Expenditures</b>	<b>\$ 39,063</b>	<b>\$ 226,564</b>	<b>\$ 312,502</b>

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**Economic Development Authority**

**ARC 2316C**

**Rule Summary** Establishes the Program requirements for the Science, Technology, Engineering, and Mathematics (STEM) Internship Program, established in Iowa Code section 15.411, and amends the Innovative Businesses Internship Program. Senate File 510 (Standing Appropriations Act) amended the STEM Internship and Innovative Businesses, formerly Targeted Industries, Internship Programs.

**Agency Stated Authority:** Iowa Code section 15.106A, House File 2460 (FY 2015 Economic Development Appropriations Act), and 2015 Iowa Acts, Senate File 510, section 78.

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

**LSA Response:** The LSA concurs.

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**Department of Inspections and Appeals**

**ARC 2321C**

**Rule Summary** Amends and updates the procedures related to subpoenas in contested case proceedings before the Administrative Hearings Division. The amendments provide clarity to parties and those that receive a subpoena from the Division. Adds the relevant requirements from Iowa Rule of Civil Procedure 1.1701, modified as necessary to reflect the distinction between court and administrative proceedings.

**Agency Stated Authority:** Iowa Code section 10A.801.

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

**LSA Response:** The LSA concurs.

**ARC 2302C**

**Rule Summary** Amends references, clarifies regulatory rules for Iowa hospital licensing, eliminates obsolete language and definitions, cross-references other Iowa Administrative Code (IAC) sections where applicable, and incorporates suggestions from the Iowa Hospital Association, the Board of Nursing, the Board of Pharmacy, and other affected organizations.

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

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

**LSA Response:** The LSA concurs.

**ARC 2273C**

**Rule Summary** Requires qualified personnel in a residential care facility to implement orders for medications and treatments as prescribed for by the resident's health care provider. This rule was inadvertently omitted during the Department of Inspections and Appeals (DIA) rewrite of Iowa Administrative Code chapter 481-57 in 2014.

**Agency Stated Authority:** Iowa Code sections 10A.104(5) and 135C.14.

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

**LSA Response:** The LSA concurs.

**Rule Summary**

Amends references to the Food and Drug Administration Food Code adopted under provisions of Iowa Code section 137F.2. Updates the manner in which nursing facilities are to handle, prepare, and serve food in accordance with the most current Food Code. Duplicative Food Code requirements were removed. Provisions related to nutritional status, hydration, and therapeutic diets were also added. The rulemaking is largely technical in nature.

**ARC 2303C**

**Agency Stated Authority:** Iowa Code sections 10A.104(5) and 135C.14.

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

**LSA Response:** The LSA concurs.

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**Iowa Public Employees' Retirement System (IPERS)**

**Rule Summary**

Adopts the following changes:

- Implements contribution rates for regular and special service members beginning July 1, 2016.
- Clarifies an existing rule and adopts a new rule regarding leased employees.
- Requires certification by employers that their Section 125 plans meet all Internal Revenue Code requirements.
- Clarifies that members retiring under Option 1 may increase the lump-sum death benefit with a service purchase that will be balanced out by a reduced monthly benefit amount.
- Conforms the language of a rule with the statute and removes unclear language regarding reinstatement following an involuntary termination and taking a refund.
- Includes the available percentages a member must select to be payable to their contingent annuitant, when a member retires under Options 4 or 6.
- Clarifies reemployment/income monitoring and moves offset language to a new rule detailing the offsets taken in the case of special service disability payments received by a member for the same illness or injury and how they are calculated.
- Clarifies acceptable proof of death for beneficiary payments to clarify preretirement death benefits payable to inactive members' beneficiaries for deaths occurring before June 30, 2012 and adopts a new rule for deaths occurring after June 30, 2012.
- Removes language regarding opposite gender spouse from the definition of "Qualified Domestic Relations Order" or "QDRO."
- Conforms IPERS with Internal Revenue Service (IRS) reporting requirements for distributions to non spouse successor alternate payees.
- Clarifies procedures when a post divorce beneficiary designation is updated by a member.
- Clarifies proof-of-death requirements when an alternate payee predeceases a member.
- Clarifies procedures regarding refund payments made when a QDRO is involved and the alternate payee has not returned a completed application by the deadline.

**ARC 2331C**

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- Clarifies payment of an alternate payee benefit under a QDRO will follow the payroll schedule.
- Removes the written signature requirement in answering an open records request.
- Updates terms to be consistent with IPERS practice in appeals.

**Agency Stated Authority:** Iowa Code sections 97B.4 and 97B.15.

## Fiscal Impact

**Agency Response:** The contribution rates for Sheriffs and Deputies are decreasing for FY 2017 and therefore the impact to these covered employers and members is an estimated savings of \$550,000 in total. For Sheriffs and Deputies, contribution amounts are split 50/50 between employers and members. The current FY 2016 contribution rate is 19.76% with an employer contribution rate of 9.88% and a member contribution rate of 9.88%. The total contribution will decrease by 0.50% in FY 2017 from 19.76% to 19.26% resulting in an employer contribution rate of 9.63% and a member contribution rate of 9.63%.

Estimated IPERS Contributions For Sheriffs and Deputies										
Employer Type	Projected Wages	FY 2016			FY 2017			Member Difference	Employer Difference	Total Difference
		Member Contribution Rate	Employer Contribution Rate	Combined Rate	Member Contribution Rate	Employer Contribution Rate	Combined Rate			
County	\$109,952,212	9.88%	9.88%	19.76%	9.63%	9.63%	19.26%	\$274,881	\$274,881	\$549,761
		\$10,863,279	\$10,863,279	\$21,726,557	\$10,588,398	\$10,588,398	\$21,176,796			

The remaining IPERS rules changes conform with policy and procedure changes, with IRS rules and regulations, State statutes, and/or court decisions, and do not have any fiscal impact to the State.

**LSA Response:** The LSA concurs.

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## Iowa Public Information Board

### ARC 2271C

**Rule Summary** Permits Vice Chair to preside at a meeting if the Board Chairperson is unavailable, the elected Vice Chair may run the event or meeting instead. This clarification adds continuity to existing rules.

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

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

**LSA Response:** The LSA concurs.

### ARC 2315C

**Rule Summary** Requires counsel for a governmental body to be present at a closed session when the purpose of such a closed session is to discuss strategy with counsel. This change reflects the statutory interpretation of the Iowa Court of Appeals.

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

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

**LSA Response:** The LSA concurs.

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**Department of Transportation (DOT)**

**ARC 2319C**

**Rule Summary** Amends seven Iowa Administrative Code (IAC) chapters that are under the purview of the Office of Local Systems. This rulemaking adopts the following changes:

- Allows the DOT to expend City Bridge Construction Funds on Primary Road extensions.
- Extends the Highway Bridge Program.
- Clarifies that instructional memorandums are provided to local public agencies rather than solely to county engineers.
- Clarifies the list of highway related services and supplies that local governments may request from the DOT.
- Updates the definition of city to clarify that the Amana Colonies is required to complete all portions of the annual Street Financial Report.
- Clarifies implementation sentences and reorders and renumbers chapters as necessary.

**Agency Stated Authority:** Iowa Code sections 307.12 and section 307A.2 as amended by 2015 Iowa Acts, HF 635 (2015 Transportation Omnibus), section 20.

**Fiscal Impact** **Agency Response:** Changes in this rulemaking will reduce the printing and copying copies of multiple documents because they are available electronically and save mailing costs. The DOT expects increased efficiencies and reduced costs through automation. This rulemaking will continued the dedicated bridge funding program that is funded through federal funds.

**LSA Response:** The LSA concurs. Decreased printing costs may increase funding available for other administrative activities. Allowing funds from the City Bridge Construction Fund to be spent on primary road extensions will allow expenditures on previously ineligible items. Funding for this program is provided through an annual statutory allocation, and this change will not increase available funds.

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**Board of Medicine**

**ARC 2298C**

**Rule Summary** Updates requirements for licensure, renewal, and reinstatement of acupuncture licenses. Adds definitions of terms associated with the practice of acupuncture. Revises requirements for the display, distribution, and retention of a disclosure sheet that contains information for patients. Establishes requirements for the delegation of removing acupuncture needles from a patient's body. Establishes a requirement that licensees report changes in their full legal name.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

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**Natural Resource Commission**

**ARC 2300C**

**Rule Summary** Outlines the process for qualified nonresident disabled active members or veterans of the armed forces to obtain special hunting privileges. Also defines new terms, makes technical corrections, and specifies the Natural Resource Commission authorizes the Director to issue these special nonresident deer and turkey licenses.

**Agency Stated Authority:** Iowa Code section 483A.24.

**Fiscal Impact** **Agency Response:** The fiscal impact is a decrease of less than \$100,000 per year to the Fish and Game Protection Trust Fund.

**LSA Response:** The LSA concurs. The annual loss to the Fish and Game Protection Trust Fund is estimated at \$18,000 per year. This information was provided to the LSA prior to enactment of HF 361 (FY 2013 Hunting Licenses for Disabled Veterans Act).

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**Board of Pharmacy**

**ARC 2301C**

**Rule Summary** Accepts Individual Tax Identification Numbers in lieu of Social Security numbers on the application for registration as a pharmacist-intern.

**Agency Stated Authority:** Iowa Code sections 147.76 and 155A.6.

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

**LSA Response:** The LSA concurs.

**ARC 2285C**

**Rule Summary** Incorporates federal regulations finalized in October in 2014 that authorize certain pharmacies to voluntarily maintain an authorized collection program to collect unwanted controlled substances from patients for the purpose of disposal.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

**ARC 2288C**

**Rule Summary** Implements prescription of epinephrine auto-injectors in the name of a facility defined in Iowa Code section 135.185, a school district, or an accredited nonpublic school that voluntarily chooses to stock an epinephrine injector supply.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

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### ARC 2286C

**Rule Summary** Eliminates restrictions regarding the dispensing of prescription drugs to patients seen in a hospital emergency department when 24-hour pharmacy services are available within 15 miles of the hospital. Specifically authorizes the dispensing to hospital emergency department patients of appropriately packaged and labeled prescription drugs in quantities not exceeding a 72-hour supply, except as specifically identified in the subrule.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

### ARC 2307C

**Rule Summary** Requires the initial record or report of a continuous quality improvement program event to be documented no later than three days following the date an error or event was discovered.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

### ARC 2287C

**Rule Summary** Temporarily designates certain identified substances as controlled substances: three synthetic cannabinoids and acetyl fentanyl, that are temporarily placed into Schedule 1 of the Iowa Controlled Substances Act. Temporarily removes naloxegol from Schedule 1. This is a new molecular entity and derivative of naloxone. The Food and Drug Administration (FDA) recently approved naloxegol for marketing for the treatment of opioid-induced constipation in adults with chronic non-cancer pain.

**Agency Stated Authority:** Iowa Code section 124.201.

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

**LSA Response:** The LSA concurs.

### ARC 2289C

**Rule Summary** Eliminates the requirements for individual prescription identification in patient medication packs.

**Agency Stated Authority:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

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**Professional Licensure Division**

**ARC 2323C**

**Rule Summary** Amends the licenses offered by the Board of Respiratory Care and Polysomnography to add two new licensure types (Polysomnography Practitioner and Polysomnography Technologists) to the licenses issued by the Board and makes conforming changes. Adjusts the hours of continuing education credits required.

**Agency Stated Authority:** Iowa Code section 152B.6 and 2015 Iowa Acts HF 203 (Sleep Technologist Licensure Act).

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

**LSA Response:** No fiscal impact to the General Fund. One-time costs of \$36,000 for Bureau of Professional Licensure license tracking system reprogramming. This is being paid for by the Iowa Access Revolving Fund.

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**Public Employment Relations Board**

**ARC 2308C**

**Rule Summary** Provides for the non-substantive reorganization of existing rules, the addition of information required for filing a petition for resolution of a negotiability dispute, elimination of the requirement that, when requested, an arbitrator file the petition for negotiability dispute raised at arbitration while retaining the requirement that the objecting party file the petition, and the elimination of the requirement that public employers submit paper copies of collective bargaining agreements with the Public Employment Relations Board (PERB) and provides the option of submitting copies electronically.

**Agency Stated Authority:** Iowa Code section 20.6(5).

**Fiscal Impact** **Agency Response:** No fiscal impact. The majority of the amendments are nonsubstantive changes to clarify existing rules. Of the minor substantive changes, there are no fiscal changes associated with the amendments.

**LSA Response:** The LSA concurs.

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**Department of Public Health (DPH)**

**ARC 2291C**

**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. Adds and removes various poisoning and communicable infectious diseases to the current list of conditions in Appendix A. Defines 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 2290C**

**Rule Summary** Defines roles and responsibilities of the DPH and providers of infant hearing screens. 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. Adds references to best practice and guidance documents, adds language to accommodate parental objection beyond the newborn hearing screen for infants and children needing further follow-up, eliminates unnecessary code citations, and further outlines 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 2305C**

**Rule Summary** Extends the timeline for the development of policies and procedures for obtaining informed consent for the storage and release of residual newborn screening specimens. Clarifies the use of linked specimens in feasibility studies approved by the Congenital and Inherited Disorders Advisory Committee for the purpose of incorporating new tests or evaluating new test methodologies when the clinical validity and reliability of the test methodologies have previously been determined. Makes technical corrections.

**Agency Stated Authority:** Iowa Code section 136A.8.

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

**LSA Response:** The LSA concurs.

**ARC 2306C**

**Rule Summary** Allows for the inclusion of a Refugee Health Screening module in the Immunization Registry Information System (IRIS) and addresses the release of IRIS information to the DPH and among health care providers.

**Agency Stated Authority:** Iowa Code section 139A.8.

**Fiscal Impact** **Agency Response:** Minimal fiscal impact. The one-time software programming cost to develop the module in IRIS is approximately \$40,000. Annual on going hosting and maintenance costs are estimated at \$8,000. Funding for these costs is provided through the federal Refugee Health Promotion Program Grant.

**LSA Response:** The LSA concurs.

**ARC 2279C**

**Rule Summary** Revises the definition of residential swimming pool used for commercial purposes. Corrects the existing underwater lighting requirement.

**Agency Stated Authority:** SF 510 (Standing Appropriations Act), section 97.

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

**LSA Response:** The LSA concurs.

**ARC 2317C**

**Rule Summary** Updates the Iowa plumbing code to the 2015 edition of the Uniform Plumbing Code. Keeps all existing amendments to the Uniform Plumbing Code as well as adopting new amendments to the 2015 Uniform Plumbing Code.

**Agency Stated Authority:** Iowa Code section 105.4.

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

**LSA Response:** The LSA concurs.

**ARC 2274C**

**Rule Summary** Updates the Iowa mechanical code to the 2015 edition of the International Mechanical Code. Updates the edition of the National Fuel Gas Code to the 2015 edition and the Liquefied Petroleum Gas Code to the 2014 edition. Updates the reference to the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 62.1 to the 2013 edition. An additional amendment is proposed to change section 504.8.2 of the International Mechanical Code related to dryer duct installations.

**Agency Stated Authority:** Iowa Code section 105.4.

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

**LSA Response:** The LSA concurs.

**ARC 2275C**

**Rule Summary** Updates vital record rules for the following:

- Adds and amends definitions.
- Permits fees to be waived if no certified copy is printed.
- Outlines processes and procedures for the electronic statewide vital records system.
- Updates acceptable practice for utilizing vital record information.

**Agency Stated Authority:** Iowa Code chapter 144.

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

**LSA Response:** The LSA concurs.

**ARC 2276C**

**Rule Summary** Updates the Death Registration and Disposition of Dead Human Bodies chapter to conform to using the Electronic Death Record System.

**Agency Stated Authority:** Iowa Code section 144.3.

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

**LSA Response:** The LSA concurs.

**ARC 2277C**

**Rule Summary** Updates reference to the Scope of Practice for Emergency Medical Services (EMS) Providers to the most recent edition.

**Agency Stated Authority:** Iowa Code section 147A.4.

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

**LSA Response:** The LSA concurs.

**ARC 2278C**

**Rule Summary**      Updates the Iowa Emergency Medical Care Provider Scope of Practice document to the April 2015 edition.

**Agency Stated Authority:** Iowa Code section 147A.4.

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

**LSA Response:** The LSA concurs.

**ARC 2304C**

**Rule Summary**      Clarifies that all authorized EMS services are required to have a driving policy and documented training for all responding members.

**Agency Stated Authority:** Iowa Code section 147A.4.

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

**LSA Response:** The LSA concurs.

**ARC 2280C**

**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.

**ARC 2297C**

**Rule Summary**      Rescinds the standards for Certificate of Need review for the following:

- Acute care bed need,
- Bed need formula for intellectually disabled,
- End-stage renal disease,
- Obstetrical services and neonatal intensive care units,
- Designated pediatric units, and
- Designated inpatient substance abuse treatment units.

**Agency Stated Authority:** Iowa Code section 135.72.

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

**LSA Response:** The LSA concurs.

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**Racing and Gaming Commission**

**ARC 2320C**

**Rule Summary** Amends Iowa Code chapters 5, 6, and 10 to clarify the following: qualified agreements required to be submitted for approval by the Racing and Gaming Commission, regulations on racing entries, scratch limitations, transfers of claims, and requirements regarding medical treatment for race horses. The amendments also extend the duration of occupational licenses to three years, and update jockey safety requirements in addition to other racing related statutes.

**Agency Stated Authority:** Iowa Code sections 99D.7 and 99F.4.

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

**LSA Response:** The LSA concurs.

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**Board of Regents**

**ARC 2332C**

**Rule Summary** Aligns the Iowa Administrative Code with federal rules and Home Base Iowa requirements regarding the classification of veterans as residents.

**Agency Stated Authority:** Iowa Code section 262.9(3).

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

**LSA Response:** The LSA concurs.

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**Department of Revenue**

**ARC 2299C**

**Rule Summary** Simplifies the process and criteria the Department of Revenue considers in granting innocent spouse relief by referring directly to the relevant sections of the federal code and related regulations. The Department will presume that a person granted innocent spouse relief for federal purposes also qualifies for Iowa purposes. In addition, there will be a rebuttable presumption that a person that has not been approved for federal purposes does not qualify as an innocent spouse for Iowa purposes.

**Agency Stated Authority:** Iowa Code sections 17A.3 and 421.14.

**Fiscal Impact** **Agency Response:** As it is difficult to estimate how many individuals will qualify for this type of relief in the future, no fiscal impact can be estimated at this time.

**LSA Response:** The LSA concurs.

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### Department of Education

	<b><u>ARC 2311C</u></b>
<b>Rule Summary</b>	Establishes rules for school districts and accredited nonpublic schools that voluntarily choose to stock an epinephrine injector supply for students.  <b>Agency Stated Authority:</b> Iowa Code section <u>256.7(5)</u> and 2015 Iowa Acts <u>SF 462</u> (Epinephrine Pens in Schools Act).
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 2313C</u></b>
<b>Rule Summary</b>	Provides exceptions to prior enrollment limitations and imposes additional reporting requirements for school districts. Reflects changes enacted in SF 510 (Standing Appropriations Act).  <b>Agency Stated Authority:</b> Iowa Code section <u>256.7(5)</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 2309C</u></b>
<b>Rule Summary</b>	Amends the Gap Tuition Assistance Program, pursuant to <u>HF 658</u> (FY 2016 Education Appropriations Act), by modifying criteria to determine financial need.  <b>Agency Stated Authority:</b> Iowa Code section <u>256.7(5)</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 2310C</u></b>
<b>Rule Summary</b>	Permits up to 5.0% of the allocation for the Statewide Voluntary Preschool Program to be used for outreach activities and rent for facilities not owned by the school district. Allows community-based providers to use up to 10.0% of their allocation for administrative and operational costs. These costs include outreach activities, rent for facilities not owned by the school district, and transportation for children participating in the preschool program. The changes correspond to <u>HF 658</u> (FY 2016 Education Appropriations Act), enacted during the 2015 Legislative Session.  Allows for greater flexibility and aligns allowable uses of funds for at-risk programs, alternative schools, and programs for potential or returning dropout prevention. The changes correspond to <u>HF 658</u> (FY 2016 Education Appropriations Act), enacted during the 2015 Legislative Session. The changes also incorporate dropout and dropout prevention provisions in <u>HF 445</u> (Payment for Education Services for Children Act).  Permits school districts to use revenue from the district management levy to pay the costs of mediation and arbitration, including but not limited to legal fees associated with mediation or arbitration, but not including the results of the mediation or arbitration. The change corresponds to <u>HF 515</u> (School District Management Levy Fund for Legal Costs Act), enacted during the 2015 Legislative Session.

Expands the authorized use of Physical Plant and Equipment Levy (PPEL) revenues to include expenses incurred in the repair of transportation equipment if the cost of the repair exceeds \$2,500. The change corresponds to [HF 646](#) (Physical Plant and Equipment Levy Uses Act), enacted during the 2015 Legislative Session.

**Agency Stated Authority:** Iowa Code section [256.7\(5\)](#) .

**Fiscal Impact**

**Agency Response:** No fiscal impact.

**LSA Response:** The LSA concurs there is no fiscal impact to the General Fund but the change may increase local property taxes. The [Fiscal Note](#) for [HF 515](#) (School District Management Levy Fund for Legal Costs Act) explains the potential impact on property taxes. The [Fiscal Note](#) for [HF 646](#) (Physical Plant and Equipment Levy Uses Act) provides the maximum fiscal impact if districts increase PPEL rates to the maximum level.

**Rule Summary**

**ARC 2312C**

Adopts the assessments developed by the Smarter Balanced Assessment Consortium (SBAC) in math and reading to replace the [Iowa Assessments](#). Requires the Department of Education to select a vendor to administer the SBAC assessments through a Request For Proposal (RFP) process. The [Iowa Assessment Task Force](#), the task force that recommended SBAC, must review the SBAC administration and make a recommendation by June 30, 2020.

**Background.** During the 2013 Legislative Session, [HF 215](#) (Education Reform Appropriations Act) created the Iowa Assessment Task Force. The Task Force was charged with recommending an assessment for implementation by the 2016-2017 school year. The Task Force completed a [report](#) in December 2014. In addition to the recommendation to adopt the Smarter Balanced Assessments to measure math and science, the Task Force made five other recommendations, including that the General Assembly create a plan for moving to statewide online administration of assessments and that the Task Force be reconvened as soon as the [new science standards are approved](#) and new science assessment is available for review. As of December 2015, a new assessment has not yet been recommended to measure science.

**Smarter Balanced Assessments.** The [Smarter Balanced Assessments](#) were developed by a consortium of states and consist of a system that includes tests for mandatory accountability purposes, as well as interim tests for classroom use. The assessments are aligned to the Iowa Core standards and are designed to measure higher-order thinking skills. The assessments also will be computer adaptive to present an individually tailored set of questions to students based on their responses.

**Agency Stated Authority:** Iowa Code section [256.7\(21\)](#).

**Fiscal Impact**

**Agency Response:** The Department estimates this change may increase expenditures by school districts by between \$6.0 million to \$7.0 million. These estimates were created by subtracting current costs from projected costs at the high and low end of the estimate range.

The cost for the SBAC is broken into two parts:

- The SBAC membership fee - currently \$9.55 per student.
- Cost for implementation and administration - estimated between \$15.45 and \$18.45 per student (based on the cost in three SBAC states and the Iowa Assessment Task Force estimate).

The total estimated cost for the SBAC is between \$25 and \$28 per student. The Department projects 332,017 students in grades 3-11, the grades required to be assessed, in Iowa public schools during the 2016-2017 school year, the first year of the proposed SBAC assessments in Iowa. Therefore, during the 2016-2017 school year, the total estimated cost for the SBAC is between \$8.3 million and \$9.3 million. The actual cost will be identified through an RFP process.

Currently, Iowa uses the Iowa Assessments in grades 3-8, 10, and 11 as its statewide assessment. School districts pay an estimated \$5.50 per student. The Department pays \$2.25 per student to cover additional costs, such as bar coding and additional reporting. Additionally, the Department provides between \$4 and \$6 per student to districts each year. In total, the current estimated cost per pupil is \$7.75 per student. Based on an estimated 292,489 students and \$7.75 per student, the total statewide estimated cost for Iowa Assessments is \$2.3 million.

Additionally, two other cost factors should be noted:

- The Iowa Assessments only offer a summative assessment (one-time test). Districts purchase other tests to meet state and federal accountability requirements. The SBAC includes multiple types of assessments (summative, interim, formative) that schools can use to meet their assessment purposes. Therefore, with the adoption of the SBAC, districts will no longer be required to purchase additional assessments but may decide to purchase some. Estimating the savings is difficult because the Department does not collect fiscal data on district-purchased assessments. However, for the most common of these additional assessments, the Northwest Evaluation Association (NWEA) Measure of Academic Progress (MAP) assessment, the Iowa Assessment Task Force estimates a total savings of \$2.0 million.
- The SBAC, unlike the Iowa Assessments, does not measure achievement in science. The Iowa Assessment Task Force is currently meeting to determine a recommendation for a future science assessment. A separate science assessment will have an additional cost beyond the cost for the SBAC.

**LSA Response:** The LSA concurs. The following numbers assume that 332,000 students will use an SBAC assessment, and 292,000 will use the Iowa Assessment. There is no fiscal impact to the state, but there is a fiscal impact to school districts:

<u>Assessment</u>	<u>Est. Cost Per Pupil</u>	<u>Total Cost</u>
SBAC	\$25 - \$28	\$8.3 - \$9.3 million
Iowa Assessments	\$7.75	\$2.3 million
<b>Total Impact*</b>		<b>\$6.0 - \$7.0 million</b>

\* Does not include (1) cost of purchasing a science assessment, (2) savings from assessments school districts currently purchase besides the Iowa Assessments, and (3) cost to upgrade technology capacity to administer the online assessments

The Department published a report on technology readiness in February 2015. According to a survey of school districts, 99.0% of buildings in the state have the "minimum" technology capacity to administer assessments, such as the SBAC, online. Costs to upgrade technology for the few buildings that do not meet the minimum technology capacity and any other technology costs, such as for devices and other technology upgrades, are unknown.

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**Child Advocacy Board**

**ARC 2322C**

**Rule Summary** Delineates the process for selecting, appointing, and reappointing members of local foster care review boards, and changes the length of the term from two years to three years. This change is necessary to accommodate the time it takes for a new board member to become fully acquainted with board duties.

**Agency Stated Authority:** Iowa Code section 237.18.

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

**LSA Response:** The LSA concurs.

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**Environmental Protection Commission**

**ARC 2314C**

**Rule Summary** Rescinds original IAC Chapter 209 related to the Solid Waste Alternatives Program (SWAP) and renames the chapter as Landfill Alternatives Financial Assistance Program. Adds rules related to the Derelict Building Grant Program to the new chapter and revises the rules for the SWAP.

**Agency Stated Authority:** Iowa Code section 455E.9.

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

**LSA Response:** The LSA concurs. The SWAP and the Derelict Building Grant Program have similar goals of reducing solid waste sent to landfills. The SWAP provides grants for a variety of recycling projects. The Derelict Building Grant Program provides financial assistance to communities with a maximum population of 5,000 that want to restore a vacant building. No comments were submitted to the Department of Natural Resources and or at the public meeting.

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**Department of Homeland Security and Emergency Management**

**ARC 2292C**

**Rule Summary** Reflects changes in agency status from a division to a department.

**Agency Stated Authority:** Iowa Code sections 17A.3 and 30.5.

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

**LSA Response:** The LSA concurs.

**ARC 2293C**

**Rule Summary** Reflects changes in agency status from a division to a department and updates the physical address.

**Agency Stated Authority:** Iowa Code section 17A.3.

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

**LSA Response:** The LSA concurs.



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<b>Rule Summary</b>	Reflects changes in agency status from a division to a department and updates the physical address.	<b><u>ARC 2294C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department and updates the physical address.	<b><u>ARC 2295C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department and updates the physical address.	<b><u>ARC 2324C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department and updates the physical address.	<b><u>ARC 2325C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department.	<b><u>ARC 2326C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department.	<b><u>ARC 2327C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	

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	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department.	<b><u>ARC 2328C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department.	<b><u>ARC 2329C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Reflects changes in agency status from a division to a department.	<b><u>ARC 2330C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code section <u>17A.3</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Updates the membership roster of the Iowa Emergency Response Commission in accordance with Iowa Code chapter 30. The changes reflect the accurate references to certain departments, councils, committees, and task forces. It also increases the number of private industry members of the Commission from two members to three.	<b><u>ARC 2284C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code sections <u>17A.3</u> and <u>30.5</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	
<b>Rule Summary</b>	Updates the membership of the Iowa Emergency Response Commission to reflect Iowa Code Chapter 30. Makes the member from a local emergency planning committee a voting member of the commission. Adopts amendments to reflect the change in agency status from a division to a department.	<b><u>ARC 2283C</u></b>
	<b>Agency Stated Authority:</b> Iowa Code sections <u>17A.3</u> and <u>30.5</u> .	
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.	
	<b>LSA Response:</b> The LSA concurs.	

**ARC 2282C**

**Rule Summary** Reflects changes that have occurred in Iowa Code chapters 29C and 30. These changes reflect the change in agency status from a division to a department, and the memberships of Local Emergency Planning Committee members.

**Agency Stated Authority:** Iowa Code sections 17A.3 and 30.5.

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

**LSA Response:** The LSA concurs.

**ARC 2281C**

**Rule Summary** Updates reporting form names, addresses, contact phone numbers to reflect the change in agency status from a division to a department to accurately reflect Iowa Code Chapters 29C and 30.

**Agency Stated Authority:** Iowa Code sections 17A.3 and 30.5.

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

**LSA Response:** The LSA concurs.

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**Insurance Division**

**ARC 2296C**

**Rule Summary** Amends current rules in accordance with the requirements of Section 21 of HF 632 (FY 2016 Insurance Division Omnibus Act). These amendments update the rules to require long-term insurance claims to be subject to prompt payment requirements and timelines.

**Agency Stated Authority:** Iowa Code section 507B.12.

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

**LSA Response:** The LSA concurs.

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**Secretary of State**

**ARC 2318C**

**Rule Summary** Terminates ARC 2269C that authorized the Secretary of State's Office to retain fees generated by requests for Voter Registration Lists. Through further review the Secretary of State's Office determined that an administrative rule change is insufficient to effect the desired outcome.

**Agency Stated Authority:** Iowa Code sections 48A.38 and 17A.4.

**Fiscal Impact** **Agency Response:** Rule termination negates any fiscal changes that would have occurred.

**LSA Response:** The LSA concurs.

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