



## Fiscal Services Division

### ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

September 7, 2017

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 3259C

**Rule Summary** Removes the requirement for an annual cost report for privately operated residential care facilities (RCFs) and changes the cost reimbursement methodology to be based on the maximum per diem rate.

**State or Federal Law Implemented:** 2017 Iowa Acts, HF 653 (FY 2018 Health and Human Services Appropriations Act), section 108.

**Fiscal Impact** **Agency Response:** Minimal fiscal impact. Only 17 of the 121 RCFs have daily rates below the current maximum for persons residing in RCFs and receiving State supplementary assistance. Increasing their current daily rate to the current annual maximum would increase expenditures to the General Fund by \$98,011 annually.

**LSA Response:** The LSA concurs.

#### ARC 3260C

**Rule Summary** Aligns program and payment changes under the competitive child welfare services procurement for Supervised Apartment Living (SAL) based on the Child Welfare Crisis Intervention, Stabilization, and Reunification Services request for proposal, with new contracts anticipated to begin October 1, 2017. Alignment will address payment, service determinations, and eligibility.

**State or Federal Law Implemented:** Iowa Code section 234.6.

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<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact, as the cost of the program is expected to remain within the amount currently budgeted for this service. Rather than billing for individual units of service, providers will receive a fixed per diem payment per bed and may earn incentive payments. The new contracts are effective October 1, 2017.  <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3292C</u></b></p> Implements the cost containment strategy to adjust the Iowa Medicaid anesthesia conversion factor to equal the calendar year 2017 <i>Medicare</i> anesthesia conversion factor, as adjusted for the State, and converted to a per-minute amount. Each January 1 thereafter, the Department shall apply the applicable Medicare anesthesia conversion factor adjusted for the State, converted to a per-minute amount.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>249A.4</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> This change is estimated to save the General Fund \$3.1 million in FY 2018 and FY 2019. Savings estimates assume fee-for-service claim utilization rates for the calendar year 2015, and that these rates will be the same for managed care in future years. It is also assumed that managed care contractors are using the current Medicaid anesthesia conversion factor. Savings will be realized in managed care through an adjustment to the capitation rates.  <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3293C</u></b></p> Implements the cost containment strategy to adjust the inpatient diagnostic related group (DRG) cost outlier threshold formula to be the greater of two times the statewide average DRG payment for that case, or the hospital's individual DRG payment for that case, plus \$75,000. The current formula is the greater of two times the statewide average DRG payment for that case, or the hospital's individual DRG payment for that case, plus \$16,000.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>249A.4</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> This change is estimated to save the General Fund \$10.0 million in FY 2018 and FY 2019.  <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3294C</u></b></p> Implements the cost containment strategy to adjust Medicaid reimbursement rates for physician services rendered in facility settings (e.g., hospitals), by applying a "site of service" differential to reflect the difference between the cost of physician services when provided in a health facility setting and the cost of physician services when provided in a physician's office.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>249A.4</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> As a result of the implementation of the site of service differential, this change is estimated to save the General Fund \$2.0 million in FY 2018 and FY 2019. This rulemaking follows the Medicare practice that reduces the Medicaid fee schedule based on certain locations to better account for overhead related to a professional service. The initial savings estimate was based on only the top 20 codes.  <b>LSA Response:</b> The LSA concurs.

**ARC 3295C**

**Rule Summary** Implements the cost containment strategy to adjust the reimbursement policy in order to eliminate the primary care physician rate increase originally authorized by the federal Health Care and Education Reconciliation Act of 2010, that allows qualified primary care physicians to receive the greater of the Medicare rate or Medicaid rate for a specified set of “primary care” Current Procedural Terminology (CPT) procedure codes.

**State or Federal Law Implemented:** Iowa Code section 249A.4.

**Fiscal Impact** **Agency Response:** This change is estimated to save the General Fund \$5.0 million in FY 2018 and FY 2019. Based on fee-for-service experience prior to the transition to managed care, the annual cost of the primary care physician increase is \$16.0 to \$17.0 million. This includes claims for both the regular Medicaid and Iowa Health and Wellness Plan populations. Based on the average State match rate for these groups, the estimated State share is \$5.0 million.

**LSA Response:** The LSA concurs.

**ARC 3296C**

**Rule Summary** Implements the cost containment strategy to ensure that the total reimbursement for Medicare Part A and B crossover claims is limited to the actual *Medicaid* reimbursement rate.

**State or Federal Law Implemented:** Iowa Code section 249A.4.

**Fiscal Impact** **Agency Response:** This change is estimated to save the General Fund \$7.7 million in FY 2018 and FY 2019. The State’s Medicaid actuary estimated the crossover payment amount for inpatient hospital and physician claims according to the Medicaid fee schedule, and compared these repriced amounts to the amount the Department of Human Services paid to determine the potential savings.

**LSA Response:** The LSA concurs.

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**Department of Administrative Services**

**ARC 3262C**

**Rule Summary** Reviews and updates existing administrative rules for the Terrace Hill Commission, including the Terrace Hill Endowment for the Musical Arts (THEMA), to be consistent with statute and to reflect and clarify Commission practice.

**State or Federal Law Implemented:** Iowa Code section 8A.326.

**Fiscal Impact** **Agency Response:** No fiscal impact. The Terrace Hill Endowment for the Musical Arts operates solely on private funds.

**LSA Response:** The LSA concurs.

**ARC 3287C**

**Rule Summary** Addresses the possession of pistols and revolvers and the use of fireworks on the Capitol Complex in relation to HF 517 (Weapons Omnibus Act) and SF 489 (Fireworks Legalization Act).

**State or Federal Law Implemented:** Iowa Code section 8A.104(5).

**Fiscal Impact** **Agency Response:** The rulemaking itself does not have a fiscal impact. However, the fiscal impact for the legislation it implements, HF 517 and SF 489, cannot be determined at this time.

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**LSA Response:** The LSA concurs.

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### Board of Parole

**Rule Summary** **ARC 3297C**  
Eliminates outdated or redundant rules that are inconsistent or incompatible with statutes or other rules, and reflects changes to conform to current, more efficient practices. The Board of Parole has conducted a review of all of the agency's rules as a part of a comprehensive five-year review required under Iowa Code section 17A.7.

**State or Federal Law Implemented:** Iowa Code section 17A.7.

**Fiscal Impact** **Agency Response:** Fiscal impact, if any, would be minimal.

**LSA Response:** The LSA concurs.

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### Economic Development Authority

**Rule Summary** **ARC 3256C**  
Establishes rules governing the administration of the Community Catalyst Building Remediation Program, which is funded by the Community Catalyst Building Remediation Fund and provides grants to cities for the remediation or redevelopment of underutilized buildings. This rulemaking contains definitions, a Program description, the application process for cities to apply for grant funds, Program eligibility requirements, application scoring criteria, and requires an agreement for any financial assistance awarded.

**State or Federal Law Implemented:** Iowa Code section 15.106A.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3268C**  
Conforms the allocation of Iowa Jobs Training Program funds to Iowa Code chapter 260C.18C. The rulemaking makes the following changes:

- Updates Program definitions.
- Increases the maximum award amounts per project from \$25,000 to \$50,000 and per business from \$50,000 to \$100,000.
- Establishes a community college administrative fee cap of 15.0%.
- Modifies the directions provided as to what is an eligible program cost.
- Modifies the rules pertaining to community college use of Program funding.
- Modifies the rules pertaining to community college Program fees.
- Updates application scoring criteria.
- Updates references to 261 IAC 195 on Public Records and forms used by the community colleges.
- Incorporates references to the Iowa Code chapter 260F data system.
- Deletes references to the entrepreneurial training projects, the job retention projects, and projects funded through the Grow Iowa Values Fund.

**State or Federal Law Implemented:** Iowa Code sections 15.106A and 15.108(6).

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

**LSA Response:** The LSA concurs.

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## Iowa Finance Authority

**Rule Summary** **ARC 3272C**  
Updates rules pertaining to the Home and Community-Based Services Rent Subsidy Program, including updates related to the enactment of HF 586 (Iowa Finance Authority Programs Act).

**State or Federal Law Implemented:** Iowa Code section 16.1(5)(r).

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3273C**  
Updates rules pertaining to the Military Service Member Home Ownership Assistance Program, including modifying the definition of a qualified mortgage to include a loan that has financing that is more financially advantageous for the service member.

**State or Federal Law Implemented:** Iowa Code section 16.54.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3274C**  
Removes rules that are redundant of, or in conflict with, federal law or regulations and clarifies the rules pertaining to the HOME Investment Partnership Program.

**State or Federal Law Implemented:** Iowa Code section 16.5(1)(m).

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3275C**  
Clarifies the rules, updates and eliminates definitions, and changes the application procedures for funding from the Shelter Assistance Fund to a periodic basis from an annual basis.

**State or Federal Law Implemented:** Iowa Code section 16.41.

**Fiscal Impact** **Agency Response:** The Iowa Finance Authority (IFA) will issue requests for applications on a periodic basis, rather than annually. It is believed this could result in lower administrative costs for both the IFA and the applicants, in unknown amounts.

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3276C**  
Eliminates redundancies and inconsistencies between rules and federal regulations, modifies and eliminates definitions, provides clarity, and allows the Iowa Finance Authority (IFA) to request applications for funding pertaining to the Emergency Shelter Grants Program on a periodic basis rather than on an annual basis.

**State or Federal Law Implemented:** Iowa Code section 16.5(1)(m).

**Fiscal Impact** **Agency Response:** Using periodic applications instead of annual applications may reduce administrative costs in an unknown amount.

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**LSA Response:** The LSA concurs.

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## Department of Education

**Rule Summary** **ARC 3270C**  
Updates existing rules to conform to changes made by HF 564 (School District Categorical Funds Act), HF 565 (School District Flexibility Funds Account Act), and HF 642 (FY 2018 Education Appropriations Act).

**State or Federal Law Implemented:** Iowa Code chapters 256C and 257, and Iowa Code sections 256.9, 256C.3, 256C.4, 257.10, 257.11, 257.41, 257.46, 272.28, 279.68, 282.10, 284.1, 284.4, 284.5, 284.6, 284.13, 284.15, 284.16, 298A.2, 298A.8, and 299A.12.

**Fiscal Impact** **Agency Response:** No fiscal impact. School districts will have greater flexibility in utilization of certain categorical funds.

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3271C**  
Implements the changes made to the Beginning Teacher Mentoring and Induction Program in HF 642 (FY 2018 Education Appropriations Act) and also makes changes based on HF 291 (Collective Bargaining Act).

**State or Federal Law Implemented:** Iowa Code chapter 20 and Iowa Code sections 284.1, 284.4, and 284.5.

**Fiscal Impact** **Agency Response:** Pursuant to HF 642, the State no longer appropriates funds specified for the Beginning Teacher Mentoring and Induction Program. The Department estimates annual savings of approximately \$4.0 million, as this was the average approximate amount previously allocated to the Program.

**LSA Response:** Although school districts are now no longer mandated to provide services associated with the Beginning Teacher Mentoring and Induction Program, they may voluntarily continue to do so with assistance from professional development categorical funds. At this time, there is not sufficient information to determine any additional fiscal impact.

**Rule Summary** **ARC 3288C**  
Replaces the term “technical specialty component” with “technical core” under several degree types. Establishes a minimum technical core course requirement for diplomas.

Increases fees paid to the Department of Education and community colleges for drinking and driving instructional courses. Current and proposed fees are listed in the table below.

**Fees for Drinking and Driving Instructional Courses**

Fee	Recipient	Current	Proposed
Course Fee	Community College	\$ 85.00	\$ 140.00
Admin Fee	Department of Education	10.00	15.00
Out-of-State Admin Fee	Department of Education	25.00	37.50

**State or Federal Law Implemented:** Iowa Code section 256.7(5).

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<b>Fiscal Impact</b>	<p><b>Agency Response:</b> Increased costs will be incurred by students taking the courses. The increase in fees will better cover the cost to the State to provide the courses and administer the program. Revenue from the administrative fees in 2016 was \$142,880. It is estimated that the increased fees will result in annual revenue of \$214,320, an increase of \$71,440 or 50.0%.</p> <p><b>LSA Response:</b> The LSA concurs. The Department has provided additional information regarding the revenue impact of the increased course fee. The average cost of providing one course is estimated to be \$1,094. The community colleges report that the number of students served per course ranges from 4 to 19. The Department has determined that increasing the course fee to \$140 per student will allow community colleges to break even with an average course enrollment of 7 to 8 students. Courses with fewer students enrolled will result in a net loss, while larger enrollments will result in a net gain for colleges.</p>
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3289C</u></b></p> <p>Changes rules regarding the education of children classified as homeless. Modifications reflect changes to the federal <u>McKinney-Vento Homeless Assistance Act</u> as reauthorized in December 2015 by the federal <u>Every Student Succeeds Act</u>.</p> <p><b>State or Federal Law Implemented:</b> <u>42 U.S.C. §11431, et seq.</u></p>
<b>Fiscal Impact</b>	<p><b>Agency Response:</b> No fiscal impact.</p> <p><b>LSA Response:</b> The LSA concurs.</p>
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3290C</u></b></p> <p>Updates rules regarding the charge of the Iowa Reading Research Center. Reflects statutory changes made by <u>HF 642</u> (FY 2018 Education Appropriations Act), which repealed the intensive summer literacy program requirement for school districts.</p> <p><b>State or Federal Law Implemented:</b> Iowa Code sections <u>279.68(1)c</u> and <u>279.68(2)e</u>.</p>
<b>Fiscal Impact</b>	<p><b>Agency Response:</b> No fiscal impact. School districts may experience a reduction in expenditures because of the repeal of the mandate.</p> <p><b>LSA Response:</b> The LSA concurs in part. While school districts are not expected to incur new costs, any districts that have implemented portions of this mandate have done so voluntarily. At this time, there is not sufficient information to determine any additional fiscal impact.</p>
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3291C</u></b></p> <p>Implements changes made by the enactment of <u>HF 642</u> (FY 2018 Education Appropriations Act), including the requirement that districts continue to provide intensive reading instruction to students not proficient in reading after third grade. Also rescinds retention and summer school requirements for students that are nonproficient in reading after third grade.</p> <p><b>State or Federal Law Implemented:</b> Iowa Code section <u>256.7(5)</u>.</p>
<b>Fiscal Impact</b>	<p><b>Agency Response:</b> No fiscal impact. School districts may experience a reduction in expenditures due to the repeal of the mandates.</p> <p><b>LSA Response:</b> The LSA concurs in part. While school districts are not expected to incur new costs, any districts that have implemented portions of this mandate have done so voluntarily. The fiscal impact of providing intensive reading instruction to students nonproficient in reading past third grade cannot be determined at this time.</p>

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**Environmental Protection Commission**

**ARC 3251C**

- Rule Summary** Amends air quality rules in the following ways:
- Formalizes a new permitting process by specifying what type of mail service is acceptable to submit a construction permit or a Title V permit application.
  - Details what constitutes a valid electronic signature for a construction permit or a Title V permit application.
  - Eliminates the submission of a greenhouse gas form if a project has no change in greenhouse gas emissions.
  - Eliminates submission of two copies of the Title V permit application to the Department of Natural Resources (DNR).

**State or Federal Law Implemented:** Iowa Code section 455B.133.

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

**LSA Response:** The LSA concurs.

**ARC 3257C**

**Rule Summary** Allows the submittal of manure management plan updates and associated fees to be processed electronically through the Department of Natural Resources (DNR) web application system. The DNR will submit information to counties electronically.

**State or Federal Law Implemented:** Iowa Code section 459.312.

**Fiscal Impact** **Agency Response:** No fiscal impact. The DNR will use existing budget resources to implement the rulemaking.

**LSA Response:** The LSA concurs.

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**Natural Resource Commission**

**ARC 3279C**

- Rule Summary** Changes fishing rules as follows:
- Adds 39 days to the Missouri and Big Sioux rivers paddlefish fishing season.
  - Allows the purchase of two Missouri and Big Sioux rivers paddlefish fishing licenses instead of one.
  - Authorizes the snagging of specific fish species in areas with a valid paddlefish fishing license and unfilled tag.
  - Permits the culling of catfish at Department of Natural Resources (DNR)-permitted catch-and-release, boat-based catfish fishing tournaments.
  - Establishes a daily catch limit of five catfish per tournament boat team at DNR-permitted catch-and-release, boat-based catfish fishing tournaments.
  - Provides a list of required conditions for bass fishing tournaments.
  - Defines and clarifies the differences between “bass fishing tournament,” “catfish fishing tournament,” and “fishing tournament.”

**State or Federal Law Implemented:** Iowa Code sections 455A.5(6)“a”, 481A.38, 481A.39, 481A.67, 481A.76, 483A.6A, and 483A.39.

**Fiscal Impact** **Agency Response:** Minimal fiscal impact. It is estimated there will be an increase in revenue of approximately \$7,000 to the Fish and Game Protection Fund from the sale of paddlefish licenses.

**LSA Response:** The LSA concurs.



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### Department of Inspections and Appeals/Racing and Gaming Commission

#### ARC 3255C

**Rule Summary** Amends existing rules to clarify policies and procedures designed to identify problem gamblers, allowing such individuals to voluntarily exclude themselves from all gaming facilities for either five consecutive years or for a lifetime. Additional amendments clarify conditions under which certain non-steroidal anti-inflammatory drugs (NSAIDs) may be used on race horses, as well under what circumstances specimen samples may be collected at the direction of the official veterinarian.

**State or Federal Law Implemented:** Iowa Code sections 99F.4(22), 99D.7(23), and 99D.25A.

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

**LSA Response:** The LSA concurs.

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### Underground Storage Tank Fund Board

#### ARC 3267C

**Rule Summary** Rescinds several outdated Iowa Administrative Code chapters as to implement HF 2464 (Petroleum Tanks Fund and Financing Program Act), which removed the authority to collect or administer the environmental protection charge (EPC).

**State or Federal Law Implemented:** Iowa Code section 455G.4.

**Fiscal Impact** **Agency Response:** No fiscal impact. These amendments simply remove rules for statutes that have been rescinded.

**LSA Response:** The LSA concurs.

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### Professional Licensure Division

#### ARC 3221C

**Rule Summary** Updates the Board of Physical and Occupational Therapy contact information, eliminates the retention option of incomplete application, and revises requirements for foreign-trained applicants and endorsement applicants. Also removes the requirement for a notarized copy of a diploma for occupational therapy licensure, and eliminates the option to practice as an occupational therapy applicant prior to licensure.

**State or Federal Law Implemented:** Iowa Code section 147.76

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

**LSA Response:** The LSA concurs.

#### ARC 3223C

**Rule Summary** Updates Board of Optometry rules to revise outdated language, outline requirements for an incomplete application, and adds the requirement that the best corrected visual acuity determined by refraction be included as a part of a contact lens or spectacle lens prescription.

**State or Federal Law Implemented:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

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### Dental Board

#### ARC 3252C

**Rule Summary**     Requires the Dental Board to offer an alternative examination for dental licensure. The rulemaking allows students or graduates of the University of Iowa to complete a portfolio examination to be submitted for licensure. The rulemaking also establishes a time frame for acceptance of the portfolio examination, and sets criteria for administration and scoring.

**State or Federal Law Implemented:** Iowa Code sections 147.34 and 153.21.

**Fiscal Impact**     **Agency Response:** No fiscal impact. The proposed examination fee is intended to cover the costs of administering a portfolio examination for those who seek an alternative to the currently approved examinations.

**LSA Response:** The LSA concurs. The proposed fee is expected to have a budget-neutral effect.

#### ARC 3253C

**Rule Summary**     Updates administrative code to allow dental hygienists to provide educational services without the supervision of a dentist. Specifies educational services shall be limited to assessing the need for planning, implementing, and evaluating oral health education programs for individual patients and community groups; and conducting workshops and in-service training sessions on dental health for nurses, school personnel, institutional staff, community groups, and other agencies providing consultation and technical assistance for promotional, preventive, and educational services.

**State or Federal Law Implemented:** Iowa Code sections 147.76, 153.15, and 153.33.

**Fiscal Impact**     **Agency Response:** No fiscal impact. Additional applications or permits are not required for the provision of these services.

**LSA Response:** The LSA concurs.

#### ARC 3261C

**Rule Summary**     Updates moderate and deep sedation/general anesthesia training and Advanced Cardiac Life Support and Pediatric Advanced Life Support certification requirements to match new guidelines issued by the American Dental Association. Additionally, the rulemaking clarifies when a licensed professional would be required to report any adverse occurrences.

**State or Federal Law Implemented:** Iowa Code sections 147.76 and 153.33.

**Fiscal Impact**     **Agency Response:** No fiscal impact. The Board is not changing fees with respect to these rules.

**LSA Response:** The LSA concurs.

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### Department of Revenue

**Rule Summary** **ARC 3284C**  
Requires withholding agents with at least 50 employees to electronically file W-2 forms for tax years 2016 and 2017, and all other withholding agents to electronically file W-2 and 1099 forms beginning with tax year 2018. This rulemaking establishes new filing requirements to combat tax refund fraud pursuant to the 2016 rulemaking of ARC 2739C. To allow additional time to implement these new requirements, the Department is extending the phase-in for one year.

**State or Federal Law Implemented:** Iowa Code sections 421.14 and 422.68.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3285C**  
Amends existing rules to conform with changes made by HF 478 (Property Assessment Appeal Board Sunset Act). Updates guidelines for filing and answer procedures, settlements, discovery, recording of contested case hearings, and judicial review of final agency action.

**State or Federal Law Implemented:** Iowa Code section 421.1A(4).

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

**LSA Response:** The LSA concurs. Although the rulemaking itself has no fiscal impact, the legislation it implements does. No fiscal impact to the State General Fund is projected for FY 2018 through FY 2021. However, beginning in FY 2022, General Fund expenditures are expected to increase by approximately \$1.0 million annually. Additional information is available in the Fiscal Note for HF 478.

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### Department of Transportation

**Rule Summary** **ARC 3269C**  
Clarifies language concerning vertical infrastructure and contact information, and amends various definitions.

**State or Federal Law Implemented:** Iowa Code sections 307.12, 307A.2, and 314.1A.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3298C**  
Adopts language and technical changes to the Iowa Byways Program, including removing the word “scenic.” Clarifies the responsibilities of the Department and local authorities, and changes the application cycle from two to four years.

**State or Federal Law Implemented:** Iowa Code sections 307.12, 307A.2, and 306D.4.

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

**LSA Response:** The LSA concurs.

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- ARC 3299C**
- Rule Summary** Clarifies language, technical requirements, and the purpose of the Revitalize Iowa's Sound Economy (RISE) Fund, including the types of development activities that the Program is intended to assist.
- State or Federal Law Implemented:** Iowa Code sections [307.12](#), [307A.2](#), and [315.10](#).
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 3300C**
- Rule Summary** Updates definitions, language, and contact information, and clarifies matching funds requirements and eligible activities concerning the recreational trails program. This rulemaking includes modified subrules that differ from the Notice of Intended Action rulemaking. The modified subrules address the Iowa Farm Bureau's concern over condemnation and prioritization of grants.
- State or Federal Law Implemented:** Iowa Code sections [307.12](#), [307A.2](#), and [465B.2](#).
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 3301C**
- Rule Summary** Adopts technical changes related to airports and aircraft, and implements legislative requirements passed in [SF 2320](#) (FY 2017 Transportation Appropriations Act).
- State or Federal Law Implemented:** Iowa Code sections [307.12](#), [307A.2](#), [328.12](#), [328.19](#), and [2016 Iowa Acts, ch.1131](#).
- Fiscal Impact** **Agency Response:** Minimal fiscal impact. The minimal frequency of this occurrence is expected to cost the State on average less than \$100,000 per year.
- LSA Response:** The LSA concurs. The city of Onawa's forgiveness of grant payments is expected to be \$77,127.

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### Department of Workforce Development

- ARC 3250C**
- Rule Summary** Provides the Iowa Workforce Development (IWD) with technology and modern efficiencies related to the administration of IWD and the unemployment insurance program, including making changes related to the enactment of [HF 533](#) (Unemployment Compensation Eligibility Act).
- State or Federal Law Implemented:** Iowa Code section [96.11](#).
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 3254C**
- Rule Summary** Provides the Iowa Workforce Development (IWD) with technology and modern efficiencies related to the administration of the IWD and the unemployment insurance program. This includes increasing the minimum cash value equivalent of nonmonetary compensation when calculating a person's wages for employment and establishing the

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assessment for quarterly employer contributions when a quarterly report has not been filed by the employer.

**State or Federal Law Implemented:** Iowa Code section 96.11.

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

**LSA Response:** The LSA concurs.

### ARC 3265C

**Rule Summary**      Provides the Iowa Workforce Development (IWD) with technology and modern efficiencies related to the administration of the IWD and the unemployment insurance program. Amendments are technical in nature.

**State or Federal Law Implemented:** Iowa Code section 96.11.

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

**LSA Response:** The LSA concurs.

### ARC 3266C

**Rule Summary**      Provides the Iowa Workforce Development (IWD) with technology and modern efficiencies related to administration of contested case proceedings involving unemployment insurance. This includes:

- Making technical changes and clarifications.
- Expanding the nonmonetary grounds that an unemployment insurance presiding officer may use when making rulings in discovery.
- Modifying the time frame for discovery.
- Requiring hearing exhibits to be sent to the other party before the hearing date.

**State or Federal Law Implemented:** Iowa Code section 96.11.

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

**LSA Response:** The LSA concurs.

### ARC 3280C

**Rule Summary**      Provides the Iowa Department of Workforce Development (IWD) with technology and modern efficiencies related to the administration of the IWD and the unemployment insurance program. The changes include modifying the rules pertaining to department-approved training and training extension benefits.

**State or Federal Law Implemented:** Iowa Code section 96.11.

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

**LSA Response:** The LSA concurs.

### ARC 3303C

**Rule Summary**      Provides the Iowa Department of Workforce Development (IWD) with a framework from which to operate in regard to technology, modern efficiencies, and other changes related to unemployment insurance, including changes to overpayment recoveries. A technical correction has been made since the rules were first noticed.

**State or Federal Law Implemented:** Iowa Code section 96.11.

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

**LSA Response:** The LSA concurs.

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## Public Employment Relations Board

### ARC 3277C & ARC 3278C

**Rule Summary** Makes changes related to the enactment of HF 291 (Public Employment Reform Act).

**State or Federal Law Implemented:** Iowa Code section 20.6(5).

**Fiscal Impact** **Agency Response:** The fee charged to an employee organization for certification elections, retention and recertification elections, and decertification elections is based on \$1 per eligible voter with a minimum payment of \$10. The total fee revenue is intended to equal the expenditures over time. Election fees will only be spent on postage costs or bills related to vendor costs. While the actual number of elections and eligible voters is still unknown, the Public Employment Relations Board (PERB) estimates the costs will equal approximately \$22,500 for FY 2018 and \$42,500 for FY 2019.

**LSA Response:** The LSA concurs. The PERB has modified the estimated costs and fees for elections compared to the estimates provided for the Fiscal Note for HF 291. The change is based on the selection of a vendor.

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## Board of Medicine

### ARC 3258C

**Rule Summary** Establishes the fees associated with licensure through the new Interstate Medical Licensure Compact, moves the reinstatement fee for an acupuncture license, and makes technical corrections.

**State or Federal Law Implemented:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs. Fees conform to current rates.

### ARC 3264C

**Rule Summary** Establishes that a physician must have a written agreement in place prior to supervising a physician assistant.

**State or Federal Law Implemented:** Iowa Code section 147.76.

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

**LSA Response:** The LSA concurs.

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## Voter Registration Commission

### ARC 3283C

**Rule Summary** Amends the following chapters to update the voter registration process with changes enacted in HF 516 (Secretary of State Election Integrity Act):

- Chapter 2 — Voter Registration Forms, Acceptability, Registration Dates, and Effective Dates.
- Chapter 3 — Lists of Registered Voters.
- Chapter 7 — Voter Registration Mailing Address Maintenance.
- Chapter 11 — Registration Procedure at the Office of Driver Services.

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**State or Federal Law Implemented:** Iowa Code chapter 47.

**Fiscal Impact**      **Agency Response:** No fiscal impact. Any increases will be funded by the current budget.

**LSA Response:** The LSA concurs.

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### Secretary of State

**ARC 3282C**

**Rule Summary**      Amends the following Iowa Administrative Code chapters to implement changes enacted in HF 516, Secretary of State Election Integrity Act:

- Chapter 21 — Election Forms and Instructions
- Chapter 22 — Voting Systems
- Chapter 26 — Counting Votes
- Chapter 28 — Voter Registration File (IVoters) Management

**State or Federal Law Implemented:** Iowa Code chapters 47, 48, 48A, 49, 49A, 50, 51, 52, and 53.

**Fiscal Impact**      **Agency Response:** Money was allocated within the Act to provide for any extra costs. Remaining costs are paid for from the SOS budget.

**LSA Response:** For FY 2018, the General Assembly appropriated a total of \$2.1 million to the administration and elections line item under the Secretary of State's Office in HF 640 (FY 2018 Administration and Regulation Appropriations Act), an increase of \$700,000 compared to FY 2017. Language in SF 516 (FY 2018 Standing Appropriations Act) declared that the \$700,000 increase to the Secretary of State's General Fund appropriation was sufficient for the implementation of new Iowa Code section 48A.10A (voter identification cards) in HF 516 (Secretary of State Election Integrity Act).

At the time of the rulemaking analysis, the Secretary of State's Office reported being in the very preliminary stages of implementing the requirements of HF 516, including:

- Working with the Department of Administrative Services (DAS) to issue a Request for Proposal (RFP) for the voter identification cards;
- Developing voter educational materials;
- Working with the IVoters System vendor, Arikkan, to reprogram changes in the IVoters System;
- Working with the Treasurer's Office and the Department of Management (DOM) to establish the Electronic Poll Book and Polling Place Technology Revolving Loan Fund created in HF 516.

The estimated cost in the Fiscal Note for HF 516 to the Secretary of State's Office for voter identification cards, educational materials, and IVoters reprogramming costs ranged between \$200,000 and \$555,000, with the primary cost being voter identification cards. House File 516 also created a revolving loan fund for e-poll books and polling place technology but did not include an appropriation. The Secretary of State's Office may use a portion of the appropriation in HF 640 for the revolving loan fund. The Office is in the process of developing separate rules for the revolving loan fund program.

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### Department of Agriculture and Land Stewardship

**ARC 3286C**

**Rule Summary**      Updates the reference date for the Federal Seed Act.

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**State or Federal Law Implemented:** Iowa Code section 199.11.

**Fiscal Impact**      **Agency Response:** No fiscal impact. The federal provisions are available online and are free of charge.

**LSA Response:** The LSA concurs.

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### Department of Homeland Security and Emergency Management

**ARC 3263C**

**Rule Summary**      Eliminates the grant program referenced in existing rules as all grant administration processes have been completed and all program funds have been expended.

**State or Federal Law Implemented:** Iowa Code section 17A.7(2).

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

**LSA Response:** The LSA concurs.

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### Department of Commerce/Utilities Division

**ARC 3302C**

**Rule Summary**      Establishes a process for renewing certificates of franchise authority issued by the Utilities Board to cable and video service providers.

**State or Federal Law Implemented:** Iowa Code sections 476.2 and 477A.12.

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

**LSA Response:** The LSA concurs.

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