



Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

January 2, 2018

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 on Aging

ARC 3478C

Rule Summary Changes the divisions of the Department on Aging to comply with new federal legislation related to the Office of the State Long-Term Care Ombudsman. On a monitoring visit, the federal Administration for Community Living noted that the organization of the Iowa Department on Aging was inconsistent with 45 CFR §1324.11 (c). The proposed amendment will put the Department in compliance with federal law. The Department also combined two divisions to reflect a clear division of responsibilities.

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- State or Federal Law Implemented:** Iowa Code section 231.22.
- Fiscal Impact** **Agency Response:** No fiscal impact.
LSA Response: The LSA concurs.
- Rule Summary** Changes the rules related to the Volunteer Long-Term Care Ombudsman Program to comply with changes in federal law. **ARC 3479C**
- State or Federal Law Implemented:** Iowa Code section 231.45.
- Fiscal Impact** **Agency Response:** No fiscal impact.
LSA Response: The LSA concurs.
- Rule Summary** Changes the ward-to-staffing level for substitute decision makers from 10 wards per full-time equivalent (FTE) position to 40 wards per FTE position. **ARC 3484C**
- State or Federal Law Implemented:** Iowa Code sections 17A.3 and 231E.4(6).
- Fiscal Impact** **Agency Response:** No fiscal impact.
LSA Response: The LSA concurs.
- Rule Summary** Establishes a training curriculum for individuals providing the service of options counseling to elderly and disabled Iowans. This training will standardize the service within the State and ensure that such service is consistent with the national standard. **ARC 3485C**
- State or Federal Law Implemented:** Iowa Code section 231.14.
- Fiscal Impact** **Agency Response:** No fiscal impact.
LSA Response: The LSA concurs.

LSA Staff Contact: Jess R. Benson (515.281.4611) jess.benson@legis.iowa.gov

Department of Agriculture and Land Stewardship

- Rule Summary** Exempts small seed packets designed for home gardeners from labeling requirements relating to germination. **ARC 3486C**
- State or Federal Law Implemented:** Iowa Code sections 189.9(1) and 199.3.
- Fiscal Impact** **Agency Response:** No fiscal impact.
LSA Response: The LSA concurs.

LSA Staff Contact: Deb Kozel (515.281.6767) deb.kozel@legis.iowa.gov

Department of Commerce/Insurance Division

- Rule Summary** Prescribes the requirements that the Insurance Commissioner may use to establish standards governing reserve financing arrangements pertaining to life insurance policies containing guaranteed nonlevel gross premiums, guaranteed nonlevel benefits, **ARC 3496C**

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and universal life insurance policies with secondary guarantees. Insurance companies shall comply with these rulemakings beginning January 10, 2018.

State or Federal Law Implemented: Iowa Code section 521B.105.

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Real Estate Commission

ARC 3500C

Rule Summary Amends existing rules to allow for a real estate broker to be the designated broker of more than one branch office within the State, and establishes a passing score standard and other prelicense education requirements for real estate brokers pursuant to HF 541 (Real Estate Sales Act). The proposed amendments are also a result of the five-year rolling review of administrative rules outlined in Iowa Code section 17A.7(2).

State or Federal Law Implemented: Iowa Code section 543B.9.

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Department of Commerce/Utilities Division

ARC 3502C

Rule Summary Updates and streamlines rules relating to rulemaking dockets, clarifies the processes used by the Board for petitions for rulemaking, and updates outdated statutory references, formalizing the Board's process for complying with the comprehensive rule review process in future years.

State or Federal Law Implemented: Iowa Code chapters 474 and 476.

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

Department of Education

ARC 3492C

Rule Summary Revises existing rules regarding access to extracurricular activities for students who are homeless to comply with the federal McKinney-Vento Homeless Assistance Act, as reauthorized by the federal Every Student Succeeds Act (2015).

State or Federal Law Implemented: Iowa Code section 256.7(5) and the McKinney-Vento Homeless Assistance Act.

Fiscal Impact Agency Response: No fiscal impact.

LSA Response: The LSA concurs.

LSA Staff Contact: Josie Gerrietts (515.725.2249) josie.gerrietts@legis.iowa.gov

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Board of Educational Examiners

ARC 3470C

Rule Summary Aligns existing administrative rules with House File 642 (FY2018 Education Appropriation Act) by including the Teacher Leadership and Compensation model as an option for new teacher mentoring. Also, aligns existing administrative rules with Senate File 274 (Computer Science Act) by establishing a computer science endorsement.

State or Federal Law Implemented: Iowa Code sections 272.2 and 272.28, and 2017 Iowa Acts, HF 642, and 2017 Iowa Acts, SF 274.

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

LSA Response: The LSA concurs in part. There is potential for an increase in revenue due to the new endorsement. Actual potential fiscal impact cannot be determined at this time, but a significant increase is unlikely.

ARC 3471C

Rule Summary Addresses inconsistencies and unnecessary language identified during a review of the Board's rules. Clarifies language regarding temporary permits and conditional licensure, eliminates redundant language regarding endorsements, and makes other minor corrections.

State or Federal Law Implemented: Iowa Code section 272.2.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

College Student Aid Commission

ARC 3516C

Rule Summary Clarifies that special meetings of the Commission may be held as deemed necessary and with proper notice. Specifies that commissioners present when action is taken at a meeting are presumed to have voted in the affirmative unless a dissent or abstention is recorded in the minutes, or the Commissioner files a written dissent before adjournment of the meeting.

State or Federal Law Implemented: Iowa Code chapter 261.

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

LSA Response: The LSA concurs.

ARC 3517C

Rule Summary Clarifies procedures that apply to claims against a defaulted borrower's State income tax refund or rebate and administrative wage garnishment. Specifies that the Commission may contract with the Department of Revenue or another State agency to administer tax refunds or rebates, as well as wage garnishments.

State or Federal Law Implemented: Iowa Code chapter 261.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

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Department of Human Services

- ARC 3493C**
- Rule Summary** Amends the Health Insurance Premium Payment (HIPP) rules due to a change in formula, so that costs are now compared to managed care organization (MCO) capitation fees. Additional amendments include technical cleanup changes and definition enhancements.
- State or Federal Law Implemented:** Iowa Code section 249A.4.
- Fiscal Impact** **Agency Response:** No fiscal impact. Amendments are cost-neutral, and it is expected that there will be a similar number of individuals accessing the program with managed care as there was with fee-for-service.
- LSA Response:** The LSA concurs.
- ARC 3494C**
- Rule Summary** Adds two new provider types for the purpose of ensuring members' cost-sharing protections related to Qualified Medicare Beneficiaries (QMB) members and Health Insurance Premium Payment (HIPP) members.
- State or Federal Law Implemented:** Iowa Code section 249A.4.
- Fiscal Impact** **Agency Response:** Minimal fiscal impact. Payments are to providers that are not current Medicaid providers and regarding claims that have not been paid in the past. Only a limited number of providers are expected to be affected.
- LSA Response:** The LSA concurs.
- ARC 3495C (AF)**
- Rule Summary** Allows the Iowa Child Abuse Prevention Program (ICAPP) to partner with the Department of Public Health (DPH) to utilize the Family Support Statewide Database.
- State or Federal Law Implemented:** Iowa Code chapter 235A.
- Fiscal Impact** **Agency Response:** Minimal fiscal impact. The system maintained by the DPH will initially cost the Department of Human Services (DHS) \$30,000 in order to add new programming. This will be funded with federal grant dollars from the Community-Based Child Abuse Prevention (CBCAP) grant. The ongoing maintenance will be provided at no cost and is expected to generate savings as the State is currently paying approximately \$30,000 per year for maintenance under the current contract.
- LSA Response:** The LSA concurs.
- ARC 3514C**
- Rule Summary** Updates existing rules to reflect revised federal standards for the resolution of appeals to managed care organizations (MCOs). The revised federal regulations require nonexpedited appeals to be resolved within 30 calendar days of the MCO's receipt of the request (unless an extension is requested), whereas the current Iowa Administrative Code (IAC) language only requires resolution within 45 calendar days. The revised federal regulations also require that expedited appeals be resolved within 72 hours, whereas the current language requires resolution in up to three business days.
- State or Federal Law Implemented:** Iowa Code section 249A.4.
- Fiscal Impact** **Agency Response:** No fiscal impact. There is no additional cost for the change in the time frames the MCOs have to resolve appeals.
- LSA Response:** The LSA concurs.

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ARC 3515C

Rule Summary Adds a new element to the definition of “requesting entity.” The change is required in relation to federal legislation requiring checks on any employee with access to federal tax information used for purposes of the Department. The Department may conduct background checks and subsequently conduct evaluations on employees with access to federal tax information pursuant to Iowa Code section 217.45. The record check evaluation unit will complete the evaluations upon hire and again every 10 years.

State or Federal Law Implemented: Iowa Code section 217.6; and House File 547 (Human Services Department, Employee Background Checks Act).

Fiscal Impact **Agency Response:** Minimal fiscal impact. The DHS estimates State costs of \$60,077 in FY 2018 and \$22,806 in FY 2019. Costs would be higher in the first year due to the initial checks for all current employees. These costs would include FBI checks, in-state and out-of-state background checks, and fingerprinting for approximately 1,500 employees. Employees would undergo a background investigation at least once every 10 years thereafter. The projections do not include administrative needs associated with background investigations, as current staff will fulfill needs.

LSA Response: The LSA concurs.

ARC 3476C & ARC 3481C

Rule Summary Changes the rate setting methodology used to develop Supported Community Living (SCL), Day Habilitation, and Adult Day Care service rates in the Intellectual Disability Waiver from the current prospective rate setting process to a fee schedule using a tiered rate methodology. The tiered rate methodology establishes a system of reimbursement based on the identified acuity level from the results of the Supports Intensity Scale (SIS) core standardized assessment.

State or Federal Law Implemented: Iowa Code section 249A.4 and 2017 Iowa Acts, HF 653 (FY 2018 Health and Human Services Act), section 93.

Fiscal Impact **Agency Response:** No fiscal impact. The move to tiered rates as a funding methodology will be budget neutral to the Department. The tiered rate funding methodology will assign a standardized service rate based on member need rather than the current methodology of services reimbursement based on provider costs. With this rulemaking change, some providers will see increased revenues compared to current service reimbursement, while some providers will see decreased revenues.

LSA Response: The LSA concurs.

LSA Staff Contact: Jess R. Benson (515.281.4611) jess.benson@legis.iowa.gov

Department of Inspections and Appeals

ARC 3472C

Rule Summary Adds classification requirements for licensure of residential care facilities for the intellectually disabled.

State or Federal Law Implemented: Iowa Code section 135C.14.

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

LSA Response: The LSA concurs.

ARC 3473C

Rule Summary Defines “mechanical restraint” and prohibits the use of such restraint in residential care facilities.

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	State or Federal Law Implemented: Iowa Code section <u>135C.14</u> .
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	Establishes streamlined provisions unique to residential care facilities for persons with mental illness. <u>ARC 3474C</u>
	State or Federal Law Implemented: Iowa Code section <u>135C.14</u> .
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	Strikes current rules and replaces them with new rules governing residential care facilities with three to five beds. After a review of the Department's rules governing all residential care facilities, it was determined there was a need for a chapter detailing the licensing requirements for these residential care facilities. <u>ARC 3475C</u>
	State or Federal Law Implemented: Iowa Code sections <u>135C.2</u> and <u>135C.14</u> .
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	Makes technical corrections to the procedure governing administrative hearings conducted by the Administrative Hearings Division. Simplifies the procedures related to prehearing conferences and provides greater flexibility to the involved parties and the administrative law judge. Also updates guidelines related to providing recordings of hearings to account for technological changes, and eliminates an obsolete rule implementing a statutory provision that has been repealed. <u>ARC 3523C (AF)</u>
	State or Federal Law Implemented: Iowa Code sections <u>10A.801</u> and <u>17A.12</u> .
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.
Rule Summary	Amends the code of administrative judicial conduct to be similar in function and substantially equivalent to the Iowa Code of Judicial Conduct, due to the Iowa Supreme Court's amendments of the Iowa Code of Judicial Conduct. <u>ARC 3524C (AF)</u>
	State or Federal Law Implemented: Iowa Code section <u>10A.801</u> .
Fiscal Impact	Agency Response: No fiscal impact. LSA Response: The LSA concurs.

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Environmental Protection Commission

ARC 3520C

- Rule Summary** Updates air quality rules as part of the Department of Natural Resources (DNR) five-year review plan. Changes include:
- Rescinding unnecessary rules and updating other rules to provide regulatory certainty and flexibility.
 - Eliminating inconsistency between federal and State rules and ensuring that Iowa's air quality rules are no more stringent than federal regulations.
 - Allowing the DNR, rather than the Environmental Protection Agency (EPA), to be the primary agency to implement the air quality requirements in Iowa.
 - Adopting revisions to federal air toxicity standards (also known as National Emission Standards for Hazardous Air Pollutants, or NESHAP) and New Source Performance Standards (NSPS). The revisions include changes to federal standards that the EPA has amended.
 - Assuring the federal and State rules are consistent.
- State or Federal Law Implemented:** Iowa Code section 455B.133.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Deb Kozel (515.281.6767) deb.kozel@legis.iowa.gov

Underground Storage Tank Fund Board

ARC 3498C

Rule Summary Rescinds several existing rules to implement HF 2464 (Petroleum Tanks Fund and Financing Program Act), which removed the authority to collect and 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 rescind rules for statutes that have been either amended or repealed.

LSA Response: The LSA concurs.

LSA Staff Contact: Jeff W. Robinson (515.281.4614) jeff.robinson@legis.iowa.gov

Department of Public Health

ARC 3499C (AF)

Rule Summary Increases the autopsy fee the Office of the State Medical Examiner (OSME) charges from \$1,400 to \$1,900. The autopsy fee is retained by the OSME and is applied toward providing forensic pathology and death investigation services. The fee increase will become effective on July 1, 2018.

State or Federal Law Implemented: Iowa Code section 691.6.

Fiscal Impact **Agency Response:** Over the last three years, the OSME performed an average of 750 autopsies per year. Using this average, the net increase to the budget will be \$375,000.

LSA Response: The LSA concurs. The OSME performed 751 autopsies in 2015 and 820 autopsies in 2016. With the clarification of the effective date of the fee increase, this revenue will be received by FY 2019.

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ARC 3519C (NOIA)

Rule Summary Adds definitions of “congenital cytomegalovirus” and “cytomegalovirus or CMV” to the chapter that outlines the procedure to accommodate and document parental objection to and refusal of newborn testing for CMV.

State or Federal Law Implemented: Senate File 51 (Cytomegalovirus Public Health Initiative and Newborn Testing Act).

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth_ohms@legis.iowa.gov

Dental Board

ARC 3477C (NOIA)

Rule Summary Clarifies process of licensure application and additional review of the application for license and registration.

State or Federal Law Implemented: Iowa Code sections 147.2, 153.15A, 153.21, 153.33B, and 153.39.

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

LSA Response: The LSA concurs.

ARC 3487C (AF)

Rule Summary Allows 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.

LSA Response: The LSA concurs.

ARC 3488C (AF)

Rule Summary Offers an alternative examination for dental licensure by allowing graduates of the University of Iowa College of Dentistry to complete a portfolio examination to be submitted for licensure, 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.

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Rule Summary **ARC 3489C (AF)**
Updates and consolidates continuing education references such as license renewal, reinstatement, and reactivation requirements. Updates and clarifies requirements for dental assistants in regard to applications and related matters.

State or Federal Law Implemented: Iowa Code sections 147.10, 147.11, 153.15A, 153.39, and 272C.2.

Fiscal Impact **Agency Response:** No fiscal impact. These changes are related to ongoing education requirements, and do not require the payment of additional fees other than those already established.

LSA Response: The LSA concurs.

Rule Summary **ARC 3490C (AF)**
Reduces the renewal fee amount required for reinstatement of a dental assistant, amends language to match additional references, and updates the types of items available for purchase and costs that may be recovered in relation to a disciplinary hearing.

State or Federal Law Implemented: Iowa Code sections 147.80 and 272C.6.

Fiscal Impact **Agency Response:** Minimal fiscal impact. The reduction in reinstatement fees may lead to minimal savings for individuals. Any costs related to hearings are only incurred in the event a licensee or registrant chooses to go to hearing in response to a disciplinary matter.

LSA Response: The LSA concurs.

Rule Summary **ARC 3491C**
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. Clarifies when a licensed professional is 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.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Board of Nursing

Rule Summary **ARC 3497C (AF)**
Updates existing rules on nursing education programs by adding and revising definitions, amending Board procedures, and revising education program requirements.

State or Federal Law Implemented: Iowa Code chapter 152.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Board of Pharmacy

ARC 3505C (NOIA)

Rule Summary Implements the following changes:

- Reschedules a cannabidiol product upon being approved by the Food and Drug Administration and rescheduled by the Drug Enforcement Administration, pursuant to 2017 Iowa Acts, ch. 162 (HF 524, Medical Cannabidiol Act).
- Allows the Board to provide information from the drug prescribing and dispensing information program (Iowa Prescription Monitoring Program) to a medical examiner investigator recognized by the State Medical Examiner's office when the information relates to an investigation being conducted by the State Medical Examiner or an investigator, pursuant to 2017 Iowa Acts, ch. 152 (HF 523, Drug Prescribing and Dispensing Program Medical Examiner Access Act).
- Increases the frequency of a dispenser's reporting of controlled substance dispensing to the Iowa Prescription Monitoring Program (PMP) from every seven days to the next business day following dispensing.

State or Federal Law Implemented: Iowa Code section 124.552 and 2017 Iowa Acts, chapters 152 and 162.

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

LSA Response: The LSA concurs.

ARC 3506C (NOIA)

Rule Summary Removes all references to Iowa Code chapter 124A, which was repealed by 2017 Iowa Acts, ch. 145 (HF 296, Synthetic Drugs Act).

State or Federal Law Implemented: 2017 Iowa Acts, ch. 145 (HF 296, Synthetic Drugs Act).

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

LSA Response: The LSA concurs.

ARC 3507C (NOIA)

Rule Summary Removes the requirement of emergency medical service programs to obtain Drug Enforcement Administration (DEA) registration. A recent rulemaking by the Board required emergency medical service programs to register with the Board under the Iowa Uniform Controlled Substances Act (CSA) as well as with the DEA. The Board has learned that the DEA does not currently have a registration category for such service programs in Iowa, leaving service programs unable to comply with the current Board rule.

State or Federal Law Implemented: Iowa Code section 124.302.

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

LSA Response: The LSA concurs.

ARC 3508C (NOIA)

Rule Summary Permits a telepharmacy to utilize the services of a Board-registered pharmacy support person as a delivery driver.

State or Federal Law Implemented: Iowa Code sections 155A.6B and 155A.13.

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

LSA Response: The LSA concurs.

ARC 3509C (NOIA)

- Rule Summary** Implements a broad set of changes, including:
- Creates a new chapter for established minimum practice standards relating to optional areas of pharmacy practice not required of all pharmacies.
 - Updates language for consistency and reorganizes rules where appropriate.
 - Removes requirement to maintain a refrigerator when not necessary.
 - Adds language to implement HF 305 (Biological Products Act) and HF 296 (Controlled Substances and Electronic Prescriptions Act) from the 2017 Legislative Session.
 - Increases the frequency of a pharmacy's review of its Continuous Quality Improvement program data to quarterly.
 - Updates licensure renewal language to be consistent with other Board action.
 - Generalizes language for collaborative practice agreements.

State or Federal Law Implemented: Iowa Code sections 124.101, 124.301, 124.306, 124.308, 126.10, 126.11, 126.16, 135C.33, 147.7, 147.55, 147.72, 147.74, 147.76, 147A.18, 155A.2, 155A.3, 155A.4, 155A.6, 155A.10, 155A.12, 155A.13, 155A.13A, 155A.13B, 155A.13C, 155A.14, 155A.15, 155A.19, 155A.20, 155A.27, 155A.28, 155A.29, 155A.32, 155A.33, and 155A.44.

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

LSA Response: The LSA concurs.

ARC 3510C (NOIA)

Rule Summary Permits a pharmacy to repackage prescription drugs dispensed by the U.S. Department of Veterans Affairs (VA) to a patient residing in a care facility into a unit dose drug distribution system utilized by the care facility.

State or Federal Law Implemented: Iowa Code sections 124.301, 126.11, 155A.13, 155A.28, 155A.35, and 155A.36.

Fiscal Impact **Agency Response:** Fiscal impact cannot be determined. Patients in care facilities that are obtaining their prescription drugs from the VA will benefit by reduced drug costs by ensuring they are able to participate in this VA benefit. The cost savings to these patients is indeterminate.

LSA Response: The LSA concurs.

ARC 3511C (NOIA)

Rule Summary Updates language for consistency, combines and condenses rules where appropriate, and clarifies prescription requirements for controlled substances to be consistent with federal regulations.

State or Federal Law Implemented: Iowa Code sections 124.301, 124.306, 124.308, 155A.2, 155A.13, 155A.15, 155A.21, 155A.27, 155A.28, 155A.33, 155A.35, and 155A.36.

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

LSA Response: The LSA concurs.

ARC 3512C (NOIA)

Rule Summary Clarifies records requirements and updates language to be consistent with other Board chapters. Removes the requirement that central fill pharmacies can only enter into agreements with pharmacies that are in good standing.

State or Federal Law Implemented: Iowa Code sections 124.301, 124.306, 124.308, 155A.13, and 155A.28.

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

LSA Response: The LSA concurs.

Rule Summary Aligns definitions and training requirements for authorized nuclear pharmacists with the federal Nuclear Regulatory Commission. Clarifies the type of license issued to nuclear pharmacies and incorporates federal minimum standards for sterile compounding.

ARC 3525C (AF)

State or Federal Law Implemented: Iowa Code section 155A.13.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov

Department of Public Safety

Rule Summary Adopts the 2012 Life Safety Code for use by the Department. The 2012 Life Safety Code was adopted by the Centers for Medicare and Medicaid Services effective July 5, 2016. The Life Safety Code reflects the current safety standards and requirements for hospitals, nursing facilities, hospices, intermediate care facilities for persons with intellectual disabilities or mental illness, ambulatory care facilities, and religious nonmedical facilities.

ARC 3526C

State or Federal Law Implemented: Iowa Code section 100.35.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Alice Fulk Wisner (515.281.6764) alice.wisner@legis.iowa.gov

Department of Revenue

Rule Summary Implements changes that are contained in 2016 Iowa Acts, ch. 1138, (HF 2459 FY 2017 Standing Appropriations Act) and 2017 Iowa Acts, ch. 144 (HF 242 Election Campaign Checkoff Repeal Act) to the administration of certain income tax checkoffs.

ARC 3527C

House File 2459 modifies the automatic repeal dates for income tax checkoffs allowed on the individual income tax return to indicate that the checkoffs that currently appear on the form will not be subject to automatic repeal until tax year 2019. House File 242 restricts the Iowa election campaign fund income tax checkoff to tax year 2016 and earlier, to reflect the repeal of the election campaign fund beginning with tax year 2017.

The proposed amendment rescinds several subrules that implement checkoffs that are no longer in effect, and renumbers the remaining subrules to account for this change.

State or Federal Law Implemented: Iowa Code sections 68A.601, 422.12E, and 422.12J; and 2016 Iowa Acts, House File 2459, and 2017 Iowa Acts, House File 242.

Fiscal Impact **Agency Response:** Minimal fiscal impact. Although the rulemaking itself has no fiscal impact, the legislation it implements does. Eliminating the Iowa Election Campaign Fund income tax checkoff is projected to increase General Fund revenue by an estimated \$65,000 annually beginning FY 2018.

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LSA Response: The LSA concurs.

LSA Staff Contact: Jeff W. Robinson (515.281.4614) jeff.robinson@legis.iowa.gov

Secretary of State

Rule Summary Adds language to accommodate the sunset date and fee limitations to match the other fees that were adopted in **ARC 3518C** **ARC 3467C**.

State or Federal Law Implemented: 2017 Iowa Acts, **SF 516** (FY 2018 Standing Appropriations Act), section 23.

Fiscal Impact **Agency Response:** No fiscal impact. The language does not add any new fees but instead limits the usage and term of those fees already included in adopted rule **ARC 3467C**.

LSA Response: The LSA concurs.

LSA Staff Contact: Jennifer D. Acton (515.281.7846) jennifer.acton@legis.iowa.gov

Department of Transportation

Rule Summary Amends the planting and harvesting periods as they relate to **ARC 3482C & ARC 3483C** hours-of-service limits on drivers of commercial motor vehicles transporting agricultural commodities.

State or Federal Law Implemented: Iowa Code sections **321.449** and **321.450**; and **49 C.F.R. §395.1**.

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

LSA Response: The LSA concurs in part. Between March 15, 2016, and March 15, 2017, the Department's Motor Vehicle Enforcement Office issued 1,494 citations and the Iowa State Patrol issued 474 citations for log book violations during non-planting and harvesting periods. The scheduled fine for an hours-of-service violation is \$50. The total fine amount including criminal surcharge and court costs is \$128.

It is not known how many of these violations would be exempt under the proposed rulemaking. Any reduction in convictions under Iowa Code section **321.449** may reduce revenue to the General Fund; however, the potential fiscal impact cannot be determined at this time.

Rule Summary Amends language and removes ambiguities regarding maintenance and improvements on primary road extensions, and provides more concise guidance to local authorities. **ARC 3501C**

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

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

LSA Response: The LSA concurs.

Rule Summary Amends and updates the chapter to align with Iowa Code changes and departmental practices, and eliminates outdated requirements. **ARC 3513C**

State or Federal Law Implemented: Iowa Code sections **321.57**, **321.60**, **322.2**, **322.4**, and **322.5**.

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

LSA Response: The LSA does not concur. While the rulemaking itself does not create a fiscal impact, the legislation it implements does. 2014 Iowa Acts, ch. 1123 created a new license plate specifically issued to dealers for hauling and towing. The cost of this two-year plate is \$750. In FY 2017, 218 of these specialty plates were issued, generating \$163,500 in revenue for the Road Use Tax Fund.

There are currently 228 active license plates of this type, all of which are set to expire on December 31, 2018. At this time, it is unknown how many registrations will be renewed, when they will be renewed, and how many new plates will be issued prior to CY 2018. Should all 228 registrations be renewed, a biannual fiscal impact of \$171,000 is expected for FY 2018 and 2019.

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Department of Workforce Development

Rule Summary Provides the Iowa Department of Workforce Development (IWD) with a framework from which to operate with regard to technology and modern efficiencies related to the administration of the IWD and the unemployment insurance program. This includes specifying the claimant is to have benefits deposited on a debit card and not in the individual's selected financial account. **ARC 3521C**

State or Federal Law Implemented: Iowa Code chapter 96.

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

LSA Response: The LSA concurs.

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. The changes related to unemployment insurance include the following: **ARC 3522C**

- Modifying the wages that may be considered when determining an employee's taxable wage.
- Adding a penalty of \$20 per employee for employers who fail to submit quarterly wage detail electronically, with a minimum penalty of \$50.
- Adding a penalty of \$100 for employers who fail to pay electronically.
- Specifying that an unemployment insurance claim cannot be processed without a social security number.
- Specifying that a claim will be voided if the claimant has not provided information required by the IWD to verify the identity of the claimant within seven calendar days of filing the claim. The effective date of a claim is the Sunday of the week the claimant's identity is verified by the IWD.
- Specifying that the IWD must utilize the Treasurer Offset Program for collections.

State or Federal Law Implemented: Iowa Code section 96.11.

Fiscal Impact **Agency Response:** Fiscal impact cannot be determined. Sufficient information to determine the impact of the proposed changes is not available at this time.

LSA Response: The LSA concurs.

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 **ARC 3529C**

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related to unemployment insurance. The changes include specifying the IWD will use the Treasury Offset Program to collect covered unemployment compensation. The rule making also establishes a \$500 penalty for businesses that fail to register as an employer in a timely manner, and an additional fee of \$200 if the registration is not submitted electronically.

State or Federal Law Implemented: Iowa Code section 96.11.

Fiscal Impact **Agency Response:** An estimated \$1.6 million in penalties will be collected annually from an estimated 3,200 businesses, and \$25,000 in fines will be collected annually from an estimated 125 businesses. The collections will be deposited in the Penalty and Interest Fund.

LSA Response: The LSA concurs.

Rule Summary Provides the Iowa Workforce Development (IWD) with a framework from which to operate in regard to technology and modern efficiencies related to the administration of the IWD and the unemployment insurance program. This includes specifying the subpoena process for witnesses and documents in contested case proceedings. **ARC 3530C**

State or Federal Law Implemented: Iowa Code chapters 17A and 96.

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

LSA Response: The LSA concurs.

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Labor Division

Rule Summary Updates safety standards to accommodate current American Society of Mechanical Engineers (ASME) requirements, eases wind tower industry regulations, and eliminates obsolete language. **ARC 3503C**

State or Federal Law Implemented: Iowa Code chapter 89A.

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

LSA Response: The LSA concurs.

Rule Summary Clarifies the safety standards applicable to miniature power boilers installed prior to September 20, 2006, and updates contact information for the Boiler and Pressure Vessel Board, including web information. **ARC 3504C**

State or Federal Law Implemented: Iowa Code chapter 89.

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

LSA Response: The LSA concurs.

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Workers' Compensation Division

ARC 3528C

Rule Summary Makes changes related to the 2017 enactment of HF 518 (Workers' Compensation Act), including changes concerning the evaluation of permanent disabilities under Iowa Code section 85.34, vocational training and education under Iowa Code section 85.70, suitable work under Iowa Code section 85.33, and commutation under Iowa Code section 85.45. Also updates the agency addresses, agency telephone numbers, forms to be completed, and statutory references.

State or Federal Law Implemented: Iowa Code sections 85.33, 85.34, 85.45, and 85.70; 2017 Iowa Acts, HF 518.

Fiscal Impact **Agency Response:** The fiscal impact estimate remains the same as the estimates published in the Final Action **Fiscal Note** for HF 518:

- Changes pertaining to how injuries to shoulders and permanent partial disability injuries are addressed will result in an estimated reduction in benefit payments from the State's Workers' Compensation Fund to State workers of \$1.8 million annually, beginning with FY 2018.
- The Iowa Workforce Development may utilize an additional 2.0 full-time equivalent (FTE) positions and \$144,000 annually in salary and benefit funding to address all of the changes related to the enactment of HF 518. The estimate includes the cost to administer the shoulder injury training program, but does not include the cost of the actual training.
- Little or no impact to the State is anticipated from the changes related to the offer of suitable work.

LSA Response: The LSA concurs.

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Iowa Workforce Development Board

ARC 3480C

Rule Summary Provides the Iowa Workforce Development Board (Board) with a framework from which to operate in regard to technology and modern efficiencies related to the administration of the Board and the Regional Advisory Boards. Includes changes related to the enactment of HF 572 (Workforce Development Board Membership and Eligibility Act) and the federal Workforce Innovation and Opportunity Act (WIOA).

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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