



## Fiscal Services Division

August 14, 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 <https://www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact>.

With each rule summary, the rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (NOIA), Amended Notice of Intended Action (ANOIA), Notice of Termination (NOT), Adopted and Filed Emergency (AFE), Filed Emergency After Notice (FEAN), and Adopted and Filed (AF).

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### Department of Human Services

#### Rule Summary

Makes the following changes to the Developmental Disabilities Basic State Grant:

#### ARC 3900C (NOIA)

- Updates references to the federal authorizing legislation.
- Removes prescriptive language that mirrors the federal legislation and replaces it with references to the legislation.

- Brings contracting language into conformity with current Iowa Code and administrative rules.
- Updates the name of the Iowa Developmental Disabilities (DD) Council.

**State or Federal Law Implemented:** Iowa Code section 225C.6, 42 U.S.C. §144.

**Fiscal Impact** **Agency Response:** No fiscal impact. There are no additional costs to the regulated community or the State as a whole. The DD Council staff has reviewed the changes and agreed that this rulemaking will not affect the operation of the DD Council or its responsibilities. The Council's constituents and the general public are not expected to see any changes.

**LSA Response:** The LSA concurs.

**ARC 3906C (NOIA)**

**Rule Summary** Changes the pharmacy copayment to \$1 per prescription or refill and no longer bases the copayment on the preferred or nonpreferred status of the drug on the Preferred Drug List (PDL). This amendment is a technical change because the copayment policy of \$1 per prescription or refill has been in place to implement federal requirements. The copayment requirement indicates that a nonpreferred drug copay must be limited to the amount of a preferred drug copay when deemed medically necessary by the prescribing provider.

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

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

**LSA Response:** The LSA concurs.

**ARC 3907C (NOIA)**

**Rule Summary** Implements federal regulations giving states the option of establishing procedures to allow individuals accused of food assistance fraud to waive their rights to an administrative disqualification hearing. If a household member of an accused individual chooses this option, the member will be disqualified from participating in the food assistance program for a specified time and agrees to repay any overpayment associated with the violation. No administrative disqualification hearing will be held. The same disqualification penalty will be imposed if the individual chooses to give up the administrative disqualification hearing and signs the waiver form or if the individual participates in the hearing and is found guilty by an administrative law judge. No further administrative appeal procedure exists after an individual waives the right to an administrative disqualification hearing and a disqualification penalty has been imposed.

**State or Federal Law Implemented:** Iowa Code section 217.6 and 7 C.F.R. 273.16(t).

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

**LSA Response:** The LSA concurs.

**ARC 3908C (NOIA)**

**Rule Summary** Expands the Special Population Nursing Facility criteria to include persons residing in an intermediate care facility for persons with medical complexity up to age 30.

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

**Fiscal Impact** **Agency Response:** This change is estimated to cost \$488,000 in FY 2019 and \$944,000 in FY 2020. Funding was provided for FY 2019 in SF 2418 (FY 2019 Health and Human Services Appropriations Act).

**LSA Response:** The LSA concurs.

	<b><u>ARC 3909C (NOIA)</u></b>
<b>Rule Summary</b>	Adjusts home health agency Low Utilization Payment Adjustment (LUPA) rates to reflect \$1.0 million in additional State appropriations for reimbursement in accordance with 2018 Iowa Acts, <u>Senate File 2418</u> (FY 2019 Health and Human Services Appropriations Act), section 39. This amendment will increase home health agency provider rates.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>249A.4</u> and <u>SF 2418</u> , section 39.
<b>Fiscal Impact</b>	<b>Agency Response:</b> This change will increase home health reimbursement by an estimated \$1.0 million in State dollars. Legislation indicated a July 1, 2018, effective date. The increase will apply to both fee-for-service and managed care units.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 3910C (NOIA)</u></b>
<b>Rule Summary</b>	Updates the State Family Planning Program (FPP) to reflect legislative changes. Providers of family planning services will include nonpublic entities that are distinct locations of nonprofit health care delivery systems, if the distinct locations provide family planning services but do not perform abortions or maintain or operate as a facility where abortions are performed.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>217.6</u> and <u>SF 2418</u> (FY 2019 Health and Human Services Appropriations Act).
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 3911C (NOIA)</u></b>
<b>Rule Summary</b>	Rescinds rules regarding fee-for-service with cost settlement for Targeted Case Management (TCM). The amendments also revise the existing fee schedules for TCM and Case Management (CM) under the Home and Community-Based Services waiver and Habilitation Programs. Targeted Case Management and CM provider agencies will no longer be required to submit an annual cost report. These amendments will allow the Department to standardize rates for TCM and CM provider agencies. These rates will only apply to members who are enrolled in Medicaid as fee-for-service.  <b>State or Federal Law Implemented:</b> Iowa Code section <u>249A.4</u> and 2018 Iowa Acts, <u>SF 2418</u> , section 133.
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.  <b>LSA Response:</b> The LSA concurs.
	<b><u>ARC 3923C (NOIA)</u></b>
<b>Rule Summary</b>	Revises the current inpatient hospital 30-day readmission policy to exclude readmissions that are planned for repetitive or staged treatments and to clarify that the policy does not apply to critical access hospitals. This amendment will more closely align with federal Medicare standards and policies and in addition, will result in higher costs to the Medicaid Program as compared to the current readmission policy. The change in policy will result in a lesser number of inpatient hospital readmissions for the same condition based on exclusion of planned readmissions for repetitive or staged treatments.  <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 cost the State \$76,000 in FY 2019 and \$101,000 in FY 2020. No additional funding has been provided for this change. This

amendment applies to fee-for-service reimbursement only and does not apply to managed care organizations. Criteria were established to isolate claims that will be impacted by this rule change. Claims were then pulled with paid dates between July 1, 2016, and June 30, 2017. Forty claims met the established criteria. The federal match rate is assumed to be 68.25% based on the estimated blend between regular Medicaid and Iowa Health and Wellness Plan inpatient claims.

**LSA Response:** The LSA concurs.

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## Department of Agriculture and Land Stewardship

### **ARC 3892C (NOIA)**

**Rule Summary** Modifies the preentry poultry import permitting process required for businesses due to avian influenza or Newcastle disease outbreaks in the state where the businesses are located. Under the modified process, the requirement of a permit is based on a producer's location in the 10-kilometer radius of an infected site, instead of by the state where there is an outbreak. Also reduces the permitting time frame from 90 to 30 days, but allows the Department of Agriculture and Land Stewardship to change the permitting time frame based on epidemiological reasons. Modifies the type of test required to reflect the updated name of Newcastle disease.

**State or Federal Law Implemented:** Iowa Code chapter 163.

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

**LSA Response:** The LSA concurs.

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## Soil Conservation and Water Quality Division

### **ARC 3934C (AF)**

**Rule Summary** Updates the website reference for the Department of Natural Resources' Forestry Practices Manual.

**State or Federal Law Implemented:** Iowa Code section 161A.2.

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

**LSA Response:** The LSA concurs.

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## Attorney General

### **ARC 3895C (NOIA)**

**Rule Summary** Repeals rules implementing Iowa Code section 552.15, which mandated that persons operating or intending to operate a physical exercise facility in the State of Iowa register with the Iowa Attorney General's Office.

**State or Federal Law Implemented:** 2000 Iowa Acts, chapter 1021, section 4.

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

**LSA Response:** The LSA concurs.

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**Department of Commerce/Alcoholic Beverages Division**

**ARC 3891C (NOIA)**

**Rule Summary** Establishes a procedure for the issuance of a waiver for an individual of legal age desiring to import alcoholic liquor, wine, or beer in excess of the amount permitted by the Iowa Code.

**State or Federal Law Implemented:** Senate File 2347 (Alcohol Importation Reform Act) and Iowa Code sections 123.10, 123.22, 123.59, 123.146, and 123.171.

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

**LSA Response:** The LSA concurs.

**ARC 3928C (AF)**

**Rule Summary** Clarifies existing rules and adds new rules where required by 2017 Iowa Acts, House File 607 (Alcoholic Beverages Division Technical Updates Act). Relocates the contents of the forms used to furnish a surety bond when one is required during the process of obtaining a license or permit for accessibility.

**State or Federal Law Implemented:** 2017 Iowa Acts, HF 607, and 2017 Iowa Acts, HF 2359 (Substantive Code Corrections Act).

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

**LSA Response:** The LSA concurs.

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**Department of Commerce/Insurance Division**

**ARC 3894C (NOIA)**

**Rule Summary** Provides application requirements and standards for Multiple Employer Welfare Arrangements (MEWAs).

**State or Federal Law Implemented:** Iowa Code section 507A.4 and Senate File 2349 (2018 Association Health Plans Act).

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

**LSA Response:** The LSA does not concur. As stated in the Fiscal Note for Senate File 2349, the fiscal impact cannot be determined at this time. A fully insured MEWA is required to pay the Iowa insurance premium tax for the participant group; however, a self-funded MEWA is exempt from paying the Iowa insurance premium tax. It is unclear how many MEWAs entering the insurance market will be self-funded or fully insured, and the number of participants under these MEWAs is currently unknown.

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**Department of Commerce/Utilities Division**

**ARC 3913C (NOIA)**

**Rule Summary** Updates and amends the Iowa Utility Board's rules regarding the access and retention of utilities records. Additionally, updates references to utility record standards and utility types required to preserve the records of operations.

**State or Federal Law Implemented:** Iowa Code sections 476.9, 476.31, and 546.7.

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

**LSA Response:** The LSA concurs.

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### Department of Corrections

#### **ARC 3912C (NOIA)**

**Rule Summary** Prohibits funds appropriated to the Department of Corrections (DOC) or other funds made available to the DOC from being used to distribute or make available any commercially published information or material to an inmate when such information or material is sexually explicit or features nudity.

**State or Federal Law Implemented:** Iowa Code section 904.310A and House File 2492 (FY 2019 Justice System Appropriations Act).

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

**LSA Response:** The LSA concurs.

#### **ARC 3929C (AF)**

**Rule Summary** Eliminates outdated or redundant rules, updates Iowa Code language, and eliminates rules that are inconsistent or incompatible with statutes or other rules. All of the Department's rules were reviewed as part of the 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:** No fiscal impact.

**LSA Response:** The LSA concurs.

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### Economic Development Authority

#### **ARC 3897C (NOIA)**

**Rule Summary** Adopts rules related to the implementation of HF 2458 (Workforce Training and Education, Future Ready Iowa Act). One part of the Act was the creation of the Future Ready Iowa Apprenticeship Development Program for small- and medium-sized apprenticeship sponsors. The proposed rules contain a purpose statement, definitions, program description, eligibility and application requirements, application review and scoring criteria, and a requirement that an agreement be signed for receipt of financial assistance.

**State or Federal Law Implemented:** HF 2458 (Workforce Training and Education, Future Ready Iowa Act).

**Fiscal Impact** **Agency Response:** A new General Fund appropriation of \$1.0 million was provided for in HF 2493 (FY 2019 Economic Development Appropriations Act).

**LSA Response:** The LSA concurs.

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**Iowa Finance Authority****ARC 3916C (NOIA)**

**Rule Summary** Provides clarifying rules, removes a definition, and strikes the prohibition against subsidy recipients residing in rental units owned by immediate family members. The Board has waived the restriction in the past.

**State or Federal Law Implemented:** Iowa Code section 16.55.

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

**LSA Response:** The LSA concurs.

**ARC 3917C (NOIA)**

**Rule Summary** Amends existing rules regarding the federal Low-Income Housing Tax Credit (LIHTC) Programs by conforming to the language and procedures in the 2019 Qualified Allocation Plans (QAPs). The 2019 QAPs address the following:

- Identifying the purposes of the plans.
- Providing administrative information required for participation.
- Establishing threshold and selection criteria.
- Instituting postreservation requirements.
- Detailing the appeal process.
- Establishing a compliance monitoring component.

The following fee increases have been proposed:

- Application fees increase from \$2,500 to \$2,750.
- Construction monitoring fees increase from \$2,500 to \$3,000.
- Compliance monitoring fees increase from \$28 per unit to \$30 per unit.

Additionally, the following new fees have been proposed:

- A \$1,000 fee is proposed for when the owner of a project amends Form 8609 with the Internal Revenue Service (IRS).
- A new option for tax credit property owners under the federal tax code allows owners to rent to tenants based on the average income levels of the tenants rather than requiring all tenants to be below certain percentages of the area median income. The Iowa Finance Authority (IFA) is proposing a \$20 per unit fee when the owner elects to use income averaging.

**State or Federal Law Implemented:** Iowa Code section 16.35 and 26 U.S.C. Section 42.

**Fiscal Impact** **Agency Response:** The fees that have been proposed to be increased will result in an estimated additional \$18,500 in revenue for the IFA. Due to fluctuations in requests and the lack of historical data, the estimated fiscal impact of the proposed new fees on the increase in revenue for the IFA is unknown.

**LSA Response:** The LSA concurs.

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**Department of Inspections and Appeals****ARC 3918C (NOIA)**

**Rule Summary** Adopts the 2018 guidelines for the design and construction of hospitals provided by the Facility Guidelines Institute as the minimum construction standards for licensed hospitals and off-site premises.

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	<b>State or Federal Law Implemented:</b> Iowa Code sections <u>10A.104(5)</u> and <u>135B.7</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact. <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3919C (NOIA)</u></b></p> Provides definitions and procedures for social and charitable gaming, clarifies licensing types and application procedures for qualified organizations, and specifies prize limits for various gambling types. Additionally, provides requirements for products sold within the State to gambling license holders. <b>State or Federal Law Implemented:</b> Iowa Code section <u>99B.2</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact. <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3920C (NOIA)</u></b></p> Clarifies definitions and specifies licensing requirements, costs, and prizes as they pertain to bingo games. <b>State or Federal Law Implemented:</b> Iowa Code section <u>99B.2</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact. <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3921C (NOIA)</u></b></p> Specifies definitions, in addition to licensing and recordkeeping requirements, pertaining to card game tournaments. <b>State or Federal Law Implemented:</b> 2015 Iowa Acts, <u>ch. 99</u> , and Iowa Code sections <u>99B.2</u> and <u>99B.27</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact. <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3922C (NOIA)</u></b></p> Amends definitions for the following terms: amusement device, gambling device, and progressive games. Provides for restrictions on amusement devices, specifies requirements for registration, and clarifies procedures for declaratory orders. <b>State or Federal Law Implemented:</b> Iowa Code sections <u>99B.1</u> , <u>99B.2</u> , <u>99B.51</u> , <u>99B.52</u> , <u>99B.53</u> , <u>99B.54</u> , <u>99B.55</u> , <u>99B.56</u> , <u>99B.57</u> , <u>99B.58</u> , <u>99B.59</u> , and <u>99B.60</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact. <b>LSA Response:</b> The LSA concurs.
<b>Rule Summary</b>	<p style="text-align: right;"><b><u>ARC 3930C (AF)</u></b></p> Clarifies and expands the list of requirements and procedures to conduct tuberculosis screenings for health care workers in health care facilities, and hospitals, and for residents of health care facilities regulated by the Department of Inspections and Appeals. <b>State or Federal Law Implemented:</b> Iowa Code sections <u>135B.7</u> and <u>135C.14</u> .
<b>Fiscal Impact</b>	<b>Agency Response:</b> No fiscal impact.



**LSA Response:** The LSA concurs.

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

#### **ARC 3926C (NOIA)**

**Rule Summary** Amends existing rules to implement 2018 Iowa Acts, House File 2349 (Excluded Gamblers, Racing and Gaming Commission Regulation Act) and 2018 Iowa Acts, House File 2439 (Horse Racing Regulation Act). House File 2349 amends existing rules to allow for the usage of animal hair in racing-related drug testing. House File 2439 amends existing rules by updating language regarding Iowa-foaled horses with regard to racing procedures.

**State or Federal Law Implemented:** Iowa Code chapters 99D and 99F, and 2018 Iowa Acts, House File 2349, and 2018 Iowa Acts, House File 2439.

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

**LSA Response:** The LSA concurs in part. Although the rulemaking itself has no fiscal impact, the legislation it implements, HF 2349, does. Please note that the specific change referenced in the rulemaking, allowing the usage of animal hair for drug testing, does not have a fiscal impact; however, other requirements of HF 2349 do have a fiscal impact as noted in the associated Fiscal Note.

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### Environmental Protection Commission

#### **ARC 3927C (NOT)**

**Rule Summary** Rescinds the rules for the asbestos notification fee. This will give the Department of Natural Resources more time to reevaluate the rules with stakeholders.

**State or Federal Law Implemented:** Iowa Code section 455B.133(8).

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

**LSA Response:** The LSA concurs.

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### Natural Resource Commission

#### **ARC 3924C (NOIA)**

**Rule Summary** Changes fees and rules for hunting and fishing licenses as outlined in HF 631 (Natural Resource Commission License and Fees Act). Creates a new five-day nonresident hunting license fee for nonresidents. Currently, a nonresident must purchase an annual nonresident hunting license as there is no option for a license covering a shorter period of time.

**State or Federal Law Implemented:** 2018 Iowa Acts, House File 631.

**Fiscal Impact** **Agency Response:** The estimated fiscal impact is an increase of \$4.5 million to the Fish and Game Protection Fund. This includes \$3.1 million from resident licenses and \$1.4 million from nonresident licenses.

**LSA Response:** The LSA concurs.

**ARC 3931C (AF)**

**Rule Summary** Amends rules for the regulation of buoys and speed restrictions in certain waters, as requested by the Scenic City Empress Boat Club (SCEBC) of Iowa Falls. The company operates riverboat cruises and has passenger safety issues related to water movement from wakes of passing boats while passengers board or leave the boat. The changes include:

- Adding a no-wake zone on the Iowa River in Hardin County adjacent to the SCEBC property in Iowa Falls, Iowa. The proposed change does not significantly affect general use of the river in this area, as the no-wake zone will not extend more than 75 feet into the Iowa River channel.
- Specifying that the SCEBC is responsible for the placement and maintenance of the buoys designating the no-wake zone. The language retains the provision that the city of Iowa Falls is responsible for the existing speed zone between the River Street Bridge and the dock at Dougan's Landing.

**State or Federal Law Implemented:** Iowa code sections 462A.26 and 462A.32.

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

**LSA Response:** The LSA concurs.

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**Public Employment Relations Board****ARC 3933C (AF)**

**Rule Summary** Specifies that retention and recertification elections will only be conducted by the Public Employment Relations Board if the employer and employee organizations are parties to a collective bargaining agreement, as required by Iowa Code section 20.15(2)(a).

**State or Federal Law Implemented:** Iowa Code section 20.15(2).

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

**LSA Response:** The LSA concurs.

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**Department of Public Health****ARC 3898C (NOIA)**

**Rule Summary** Amends the Outpatient Diabetes Self-Management Education Programs to increase the expiration date of a certificate of accreditation from three years to four years, revises language around materials for submission for certification, makes a conforming change to continuing education hours consistent with the new accreditation period, and makes technical corrections.

**State or Federal Law Implemented:** Iowa Code chapter 514C.

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

**LSA Response:** The LSA concurs.

**ARC 3899C (NOIA)**

**Rule Summary** Revises the laboratory testing procedures for medical cannabidiol products to require the majority of testing to take place at the process lot stage, as opposed to the product lot stage. Testing for product potency and microbial contaminants will still be required at the product lot stage. Clarifies that detected concentration of cannabinoids may not vary

from labeled concentration by more than 15.0%. Requires that discrepancies discovered during inventory reconciliation processes only need to be reported to law enforcement when it is suspected that product or plant material diversion has occurred. Requires an action plan if deficiencies are found during inspections or inventory reconciliations.

**State or Federal Law Implemented:** Iowa Code chapter 124E.

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

**LSA Response:** The LSA concurs.

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## Dental Board

**Rule Summary** ARC 3901C (NOIA)  
Revises the requirements for advertising a specialty in the practice of dentistry to permit dentists to advertise as a specialist if the dentist is a diplomate of, or board eligible for, a national certifying board of a specialty recognized by the American Dental Association, or is a diplomate of a board recognized by the American Board of Dental Specialties. Also permits dentists an option for advertising as a specialist if the dentist is a diplomate of a national certifying board that meets established criteria.

**State or Federal Law Implemented:** Iowa Code section 153.13.

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

**LSA Response:** The LSA concurs.

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## Board of Medicine

**Rule Summary** ARC 3905C (NOIA)  
Establishes a new chapter regarding prescribing psychologists and the requirements for licensed psychologists to prescribe psychotropic medications to patients with mental disorders. This is a set of joint rules with the Iowa Board of Psychology (ARC 3904C) to implement 2016 Iowa Acts, chapter 1112, which gave prescription authority to certain psychologists.

**State or Federal Law Implemented:** Iowa Code chapter 154B; Iowa Code sections 155A.3, 155A.23, 155A.24, 155A.27, 123.3, 124.101, 147.107, 148.13A, and 148.13B; and 2016 Iowa Acts, ch. 1112 (SF 2188, Prescription Authority for Psychologists Act).

**Fiscal Impact Agency Response:** Fiscal impact cannot be determined. Senate File 2188 broadens the scope of practice for certain psychologists, allowing them to provide mental health care services previously provided by other health care practitioners — physicians, nurse practitioners, and physician assistants. Consequently, it is difficult to determine the actual fiscal impact of the legislation and corresponding rules, but the impact is anticipated to be minimal.

**LSA Response:** The LSA concurs.

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**Professional Licensure Division**

**Rule Summary** **ARC 3904C (NOIA)**  
 Establishes a new chapter regarding prescribing psychologists and the requirements for licensed psychologists to prescribe psychotropic medications to patients with mental disorders. This is a set of joint rules with the Iowa Board of Medicine (ARC 3905C) to give prescription authority to certain psychologists.

**State or Federal Law Implemented:** Iowa Code sections 154B.1, 154B.9, 154B.10, 154B.11, 154B.12, 154B.13, and 154B.14.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3932C (AF)**  
 Clarifies the required documentation for a background check, adds options for respiratory care students seeking to meet the requirements for polysomnography licensure, changes the number of continuing education hours a dual licensee must earn from in-person courses, allows licensees to earn continuing education credit for trainings that may not be related to a clinical process but are still related to an area of education utilized by the practitioner in regular practice, and makes technical corrections.

**State or Federal Law Implemented:** Iowa Code sections 148G.5 and 152B.6.

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

**LSA Response:** The LSA concurs.

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**Department of Revenue**

**Rule Summary** **ARC 3886C (NOIA)**  
 Reduces the number of rules sections used to implement the exemption of commercial fertilizer and agricultural limestone from the sales and use tax.

**State or Federal Law Implemented:** Iowa Code section 423.3.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3888C (NOIA)**  
 Rescinds rules in response to the repeal of Iowa Code section 422.12M, which required taxpayers to indicate on the taxpayer's Iowa individual income tax return whether each of the taxpayer's dependent children had health care coverage on December 31 of the tax year. This rulemaking rescinds and reserves the rule that implemented the repealed Code section.

**State or Federal Law Implemented:** 2017 Iowa Acts, HF 625 (Income Tax Return Information, Dependant Child Health Care Coverage Act).

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3893C (NOIA)**  
Modifies the exchange of evidence in contested cases before the Property Assessment Appeal Board by staggering the dates on which evidence needs to be exchanged between the parties.

**State or Federal Law Implemented:** Iowa Code section 441.37A.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3896C (NOIA)**  
Establishes administration of the Water Service Excise Tax, which exempts certain sales of water from sales tax and adopts new Iowa Code chapter 423G, which establishes a water service excise tax.

**State or Federal Law Implemented:** 2018 Iowa Acts, SF 512 (Water Quality Act).

**Fiscal Impact** **Agency Response:** The LSA estimates that in FY 2019, SF 512 will have no impact on the General Fund, will reduce Secure an Advanced Vision for Education Fund (SAVE) revenues by \$3.9 million, and will reduce local option sales tax (LOST) revenues by \$3.0 million. The estimate further predicts that by FY 2030, SF 512 will reduce General Fund revenues by \$26.1 million, will reduce SAVE revenues by \$5.2 million, and will reduce LOST revenues by \$4.0 million.

**LSA Response:** The LSA concurs.

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## Secretary of State

**Rule Summary** **ARC 3914C (NOIA)**  
Requires that all Secretary of State and county auditor staff who access Iowa's statewide voter registration database (I-Voters) take an approved training course related to cybersecurity practices due to a heightened awareness of cybersecurity issues and the need for those with lawful access to I-Voters to be alert to common cybersecurity threats and mitigation techniques.

**State or Federal Law Implemented:** Iowa Code section 47.7.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3915C (NOIA)**  
Updates existing rules relating to 2017 Iowa Acts, House File 516 (Election Integrity, Secretary of State Act). Amendments include updating postelection audit procedures, commissioner notification procedures, postelection audit timeframes, and audit procedures regarding absentee and special voter precincts.

**State or Federal Law Implemented:** 2017 Iowa Acts, House File 516, section 43.

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

**LSA Response:** The LSA concurs in part. Although the rulemaking itself has no fiscal impact, the legislation it implements, HF 516, does. Please note that the specific change referenced in the rulemaking regarding audit procedures does not have a fiscal impact; however, other requirements of HF 516 do have a fiscal impact, as noted in the associated Fiscal Note.

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## Department of Transportation

**Rule Summary** **ARC 3889C (NOIA)**  
 Incorporates requirements for the new statewide Sobriety and Drug Monitoring Program established by 2017 Iowa Acts, ch. 76 (Vehicular Homicide and Use of Electronic Communication Devices — Statewide Sobriety and Drug Monitoring Program).

**State or Federal Law Implemented:** Iowa Code chapter 901D and Iowa Code sections 321.201 and 321J.20.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3890C (NOIA)**  
 Updates rules involving vehicle registration and certificate of title, including making technical changes replacing the term “proportional” with “apportioned.” Amends the electronic registration and titling (ERT) process, updates salvage certificate registration for an insurer obtaining a salvage certificate of title, clarifies registration and title procedures concerning legal name changes of a vehicle’s owner, and eliminates outdated requirements to utilize paper forms when authorizing a record change.

**State or Federal Law Implemented:** Iowa Code chapter 326 and Iowa Code sections 17A.3, 321.1, 321.13, 321.20, 321.31, 321.46A, 321.52, 321.126, and 423.26.

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

**LSA Response:** The LSA concurs.

**Rule Summary** **ARC 3935C (AF)**  
 Adopts procedures for accepting certain license plate applications electronically, and aligns the rulemaking to 2016 Iowa Acts, chapter 1068 (Special Vehicle Registration Plates — Nonprofit Organization Decals Act), which established a special decal license plate to replace the previous processed emblem license plate.

**State or Federal Law Implemented:** Iowa Code chapter 17A and Iowa Code section 321.34.

**Fiscal Impact** **Agency Response:** No fiscal impact. The amendments to the Department’s rules have no known fiscal impact beyond that of the legislative changes the amendments were intended to implement.

**LSA Response:** The LSA concurs. The Department has approved 18 nonprofit organizations to produce decals. Since enactment, the Department has issued 216 decal license plates. The legislation the rulemaking implements is expected to have little to no fiscal impact.

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## Labor Division

**Rule Summary** **ARC 3903C (AF)**  
 Aligns boiler and pressure vessel rules with statutory authority, updates consensus standards adopted by reference, clarifies where jurisdiction over boiler appurtenance ends, and makes corrections. The rescinding of the rules pertaining to water heaters relates to the implementation of HF 2297 (Boiler Inspections Act).

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

**Fiscal Impact**    **Agency Response:** The Division estimates that the net annual decrease in revenue to the Boiler Pressure Vessel Safety Revolving Fund remains the same as the estimate made in the associated **Fiscal Note**, \$274,000 annually beginning in FY 2019.

**LSA Response:** The LSA concurs.

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## Department of Public Safety

**Rule Summary**    **ARC 3902C (FEAN)**  
Incorporates statutory corrections made by 2015 Iowa Acts, HF 536 (Substantive Code Corrections Act) to adjust language to update ongoing provisions and resolve inconsistencies and conflicts specifically relating to the license requirements for persons who work on air conditioning and refrigeration systems. Clarifies that a person who holds either a master or journeyman mechanical license, or a master or journeyman HVAC-refrigeration license, is exempted from having to obtain a special electrician's license in order to perform the disconnection and reconnection of existing air conditioning and refrigeration systems.

**State or Federal Law Implemented:** Iowa Code section 105.18(3)(d) and 2015 Iowa Acts, House File 536.

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

**LSA Response:** The LSA concurs.

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