



Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

November 13, 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

ARC 4044C (ANOIA)
Requires the Mental Health and Disability Services (MHDS) regions to initiate new core services, expand the core services the regions currently provide, meet new access standards for these services, and include the service changes in their service, budget planning, and reporting by a specified date. The regions must also collaborate to ensure that core services are available in minimum numbers strategically located throughout

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the State. The amendments also establish new and revised service standards for providers of comprehensive crisis services, subacute mental health services, and intensive mental health services. Provides a broader and more accessible statewide array of crisis and intensive mental health services to individuals with serious mental illness and other individuals experiencing a mental health or substance use crisis.

State or Federal Law Implemented: Iowa Code section 225C.6 and 2018 Iowa Acts, HF 2456 (Mental Health, Complex Service Needs Workgroup Report Act).

Fiscal Impact **Agency Response:** The increased utilization of services due to the changes made in HF 2456 is estimated to increase General Fund Medicaid expenditures by \$821,000 in FY 2019 and \$6.0 million in FY 2020. In addition, the changes are also estimated to increase regional MHDS expenditures by \$4.3 million in FY 2019 and \$10.0 million in FY 2020. Senate File 2418 (FY 2019 Health and Human Services Appropriations Act) provided \$876,000 to fund the FY 2019 increase in Medicaid expenditures and Department of Inspections and Appeals survey and certification of subacute facilities. The increase in regional MHDS expenditures will primarily be covered by current county mental health property tax fund balances.

LSA Response: The LSA concurs.

ARC 4052C (FEAN)

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

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.

ARC 4064C (AF)

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 4065C (AF)

Rule Summary Rescinds rules regarding fee-for-service with cost settlement for Targeted Case Management (TCM). Revises 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. Allows the Department to

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standardize rates for TCM and CM provider agencies. These rates will only apply to members who are enrolled in Medicaid as fee-for-service.

State or Federal Law Implemented: Iowa Code section 249A.4 and 2018 Iowa Acts, SF 2418, section 133 (FY 2019 Health and Human Services Appropriations Act).

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

LSA Response: The LSA concurs.

ARC 4066C (AF)

Rule Summary 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, Senate File 2418 (FY 2019 Health and Human Services Appropriations Act), section 39. This amendment will increase home health agency provider rates.

State or Federal Law Implemented: Iowa Code section 249A.4 and 2018 Iowa Acts, SF 2418, section 39.

Fiscal Impact **Agency Response:** This change will increase home health reimbursement by \$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.

LSA Response: The LSA concurs.

ARC 4067C (AF)

Rule Summary 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. Aligns the policy more closely with federal Medicare standards and policies and in addition, will result in higher costs to the Medicaid Program. 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.

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

Fiscal Impact **Agency Response:** 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.

ARC 4068C (AF)

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 copayment must be limited to the amount of a preferred drug copayment 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.

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LSA Response: The LSA concurs.

ARC 4069C (AF)

Rule Summary 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.

State or Federal Law Implemented: Iowa Code section 217.6 and SF 2418 (FY 2019 Health and Human Services Appropriations Act).

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

LSA Response: The LSA concurs.

ARC 4089C (NOIA)

Rule Summary Expands the eligibility criteria for Health and Disability waiver participation. Creates a process for requesting an increase in the waiver budget.

State or Federal Law Implemented: Iowa Code section 249A.4 and 42 USC §1396n(d).

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

LSA Response: The LSA concurs.

LSA Staff Contact: Jess R. Benson (515.689.0598) jess.benson@legis.iowa.gov

Department of Administrative Services

ARC 4045C (NOIA)

Rule Summary Amends existing rules related to prohibitions and disclosure requirements concerning outside employment or activities requiring registration as a foreign agent. Pursuant to 2018 Iowa Acts, SF 2323 (State Officials and Employees — Foreign Agent Registration Act), the Department of Administrative Services is required to establish procedures for applicants applying for both nonmerit and merit-covered Executive Branch positions to disclose in the application for employment whether the applicant has filed a registration statement pursuant to the federal Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. section 611 et seq.

State or Federal Law Implemented: Iowa Code sections 8A.403 and 8A.413(5A), and 2018 Iowa Acts, SF 2323.

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

LSA Response: The LSA concurs.

ARC 4050C (NOIA)

Rule Summary Amends existing procurement policies and procedures in the areas of State employee driving guidelines, procurement of goods and services of general use, and purchasing standards for service contracts.

State or Federal Law Implemented: Iowa Code sections 8A.104, 8A.311, 26.3, and 26.9.

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

LSA Response: The LSA concurs.

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ARC 4053C (AF)

Rule Summary Corrects outdated references to the Iowa Code and session law, updates procedures, and updates the Department of Administrative Services organizational references. Addresses 25 of the Department's chapters in the Iowa Administrative Code and is part of the Department's five-year review of rules.

State or Federal Law Implemented: Iowa Code sections 7E.4, 8A.104, and 17A.7.

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

LSA Response: The LSA concurs.

ARC 4084C (NOIA)

Rule Summary Amends existing Department rules addressing Capitol Complex operations, including updating the tobacco use policy as well as hours of operation at the Capitol Building.

State or Federal Law Implemented: Iowa Code section 8A.322.

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

LSA Response: The LSA concurs.

ARC 4097C (AF)

Rule Summary Updates the Department's internal references to note the transfer of responsibility for the certification of targeted small businesses from the Department of Inspections and Appeals (DIA) to the Iowa Economic Development Authority (IEDA) pursuant to 2017 Iowa Acts, House File 621 (Economic Development and Projects Act). The IEDA's administrative rules related to the certification of targeted small businesses became effective February 21, 2018, and the DIA's rulemaking related to certification of targeted small businesses became effective May 30, 2018.

State or Federal Law Implemented: Iowa Code section 8A.111 and 2017 Iowa Acts, House File 621.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Christopher Ubben (515.231.8142) chris.ubben@legis.iowa.gov

Office of the Chief Information Officer

ARC 4098C (AF)

Rule Summary Updates existing definitions related to the Broadband Grant Program, which is designed to reduce or eliminate underserved areas (statutorily referred to as targeted service areas) in the State by incentivizing the installation of broadband infrastructure by communications service providers. Also clarifies program process, management, and measurement rules designed to ensure the administration and oversight of the Program.

State or Federal Law Implemented: Iowa Code section 8B.11.

Fiscal Impact **Agency Response:** No fiscal impact. The Office will use existing budget and resources to implement this rulemaking, including any specific appropriations made during the 2018 legislative cycle for such purpose.

LSA Response: The LSA concurs.

LSA Staff Contact: Christopher Ubben (515.231.8142) chris.ubben@legis.iowa.gov

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Department of Commerce/Banking Division

- ARC 4054C (AF)**
- Rule Summary** Clarifies the primary responsibilities of the three separate bureaus within the Division of Banking and the organizational structure of the Division.
- State or Federal Law Implemented:** Iowa Code sections 17A.3 and 524.208.
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 4055C (AF)**
- Rule Summary** Eliminates existing requirements stating that the Superintendent must determine that a reasonable share price is being paid in a cash-out merger or reverse stock split. Rescinds current rules regarding the licensing of debt management companies and promulgates a new rules chapter to address debt management companies. Eliminates a rule that imposes a notice and publication requirement in association with applications for which no statutory notice and publication requirement exist. Adds rule language clarifying that an applicant may not declare the entire contents of an application confidential. Additionally, updates references to statutes and certain federal guidance documents.
- State or Federal Law Implemented:** Iowa Code chapters 17A and 524.
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 4056C (AF)**
- Rule Summary** Removes outdated references regarding agency procedures and the agency's employees' manual to reflect current practices.
- State or Federal Law Implemented:** Iowa Code chapters 17A, 22, and 524.
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 4057C (AF)**
- Rule Summary** Removes the addresses of rating services approved by the superintendent and removes State savings associations from entities accepted as fitting the general definition of a bank.
- State or Federal Law Implemented:** Iowa Code chapters 17A and 524.
- Fiscal Impact** **Agency Response:** No fiscal impact.
- LSA Response:** The LSA concurs.
- ARC 4058C (AF)**
- Rule Summary** Clarifies acceptable forms of documents to satisfy the requirement of showing evidence of title. Updates requirements for the use of lease receivables for the purpose of preparing consolidated reports of condition and income.
- State or Federal Law Implemented:** Iowa Code chapters 17A and 524.
- Fiscal Impact** **Agency Response:** No fiscal impact.

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LSA Response: The LSA concurs.

Rule Summary Clarifies the discovery process and applicability of the Rules of Civil Procedure in contested cases, in addition to clarifying permissible means of communications for submissions pertaining to a contested case. **ARC 4059C (AF)**

State or Federal Law Implemented: Iowa Code chapter 17A.

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

LSA Response: The LSA concurs.

Rule Summary Updates statutory references to reflect the correct authority. **ARC 4060C (AF)**

State or Federal Law Implemented: Iowa Code section 17A.9A and Iowa Code chapter 524.

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

LSA Response: The LSA concurs.

Rule Summary Establishes the details of the procedures for the following: application for a debt management license; renewal of an existing debt management license; submission of required notices regarding changes in name, location, or control of a licensee; and recordkeeping requirements for licensees; in addition to procedures for complaints, investigations, and disciplinary actions. Specifically instructs licensees and applicants using the nationwide multistate licensing system on how to apply for and maintain debt management licenses. **ARC 4061C (AF)**

State or Federal Law Implemented: Iowa Code chapter 533A.

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

Rule Summary Updates and revises the Board's rules establishing procedures for filing applications for rate increases by rate-regulated utilities. Updates language regarding electric cooperatives and municipal utilities, the implementation of requirements for utilities using a future test year, the filing and notice conditions necessary to comply with statutory requirements, and requirements for general rate case filings by small utility companies. **ARC 4046C (NOIA)**

State or Federal Law Implemented: Iowa Code sections 476.2, 476.6, and 476.33.

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

LSA Response: The LSA concurs.

Rule Summary Updates Iowa Utilities Board rules establishing standards for the evaluation of rate-regulated utilities management efficiency. **ARC 4104C (AF)**

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State or Federal Law Implemented: Iowa Code section 476.2 and 476.52.

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 Corrections

ARC 4062C (AF)

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.

LSA Staff Contact: Laura Book (515.205.9275) laura.book@legis.iowa.gov

Department of Revenue

ARC 4042C (NOIA)

Rule Summary Expands the available alternative assessment options the Department of Revenue may use to supplement commercial and multiresidential assessment/sales ratio studies. The additional options added include modeled appraisal techniques and statistical measures.

State or Federal Law Implemented: Iowa Code section 441.47.

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

LSA Response: The LSA concurs.

ARC 4083C (ANOIA)

Rule Summary Redrafts the original notice of rules that establish administration of the Water Service Excise Tax in order to exempt certain sales of water from sales tax and enact Iowa Code chapter 423G, which establishes a water service excise tax.

State or Federal Law Implemented: 2018 Iowa Acts, ch. 1001 (Water Quality Act).

Fiscal Impact **Agency Response:** No fiscal impact beyond that estimated by the Legislative Services Agency in the Fiscal Note for SF 512. The estimate predicts that in FY 2019, SF 512 will have no impact on the General Fund, will reduce SAVE revenues by \$3.9 million, and will reduce 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. The SAVE and General Fund impacts will divert to the Water Quality Infrastructure Fund and the Water Quality Financial Assistance Fund. The LOST revenues will no longer be collected.

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

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Economic Development Authority

Rule Summary **ARC 4043C (NOIA)**
Adds four chemicals to the administrative rules definition of “building block chemical” as that term is used as a qualification for the Renewable Chemical Production Tax Credit. The four added chemicals include:

- Benzene
- Toluene
- Xylene
- Ethylbenzene

Iowa Code section 15.316 defines “building block chemical” as one of 41 chemicals listed by name. However, the building block chemical definition also grants authority to the Iowa Economic Development Authority to add through rules other chemicals converted from biomass feedstock.

To earn a Renewable Chemical Production Tax Credit, the renewable chemical must have a biobased content of at least 50.0%.

State or Federal Law Implemented: Iowa Code section 15.316.

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

LSA Response: The LSA concurs. The authority to add additional chemicals to the definition of building block chemical is expressly provided in Code. Iowa Code section 15.318 limits tax credits under the program to no more than \$10.0 million annually.

Rule Summary **ARC 4063C (AF)**
Establishes the Iowa Energy Center within the Iowa Economic Development Authority as required by Iowa Code section 15.120 and also authorizes the Iowa Energy Center Board to establish advisory committees for purposes of overseeing the Center, its programs, and its operations.

State or Federal Law Implemented: Iowa Code section 15.120.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Iowa Finance Authority

Rule Summary **ARC 4087C (NOIA)**
Updates and clarifies the allocation of private activity bonds and the application process.

State or Federal Law Implemented: Iowa Code chapter 7C.

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4090C (NOIA)**
Implements changes required by 2018 Iowa Acts, SF 512 (Water Quality Act), including the creation of the Water Quality Financial Assistance Fund, which transfers 40.0% of the money to the Wastewater and Drinking Water Treatment Financial Assistance Program and 45.0% to the Water Quality Financing Program.

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State or Federal Law Implemented: Senate File 512 (Water Quality Act).

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

LSA Response: The LSA concurs. No funding has been deposited into the Water Quality Financial Assistance Fund at this time. Fiscal Note estimates for FY 2019 indicate a transfer of \$2.0 million to the Water Quality Financial Assistance Fund, but at this time, no transfer has been made.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Department of Education

Rule Summary **ARC 4048C (NOIA)**
Makes nonsubstantive clarifications to rules pertaining to career and technical education. Describes the process for programs that do not meet requirements. Implements provisions of HF 648 (Career and Technical Education Programs and Partnerships Act) relating to disbursement, monitoring, and allowable uses of State career and technical education funds.

State or Federal Law Implemented: Iowa Code chapter 258.

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4049C (NOIA)**
Establishes the minimum components for career information systems used by districts to support individual career and academic plans.

State or Federal Law Implemented: Iowa Code section 279.61.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Lora Vargason (515.725.2249) lora.vargason@legis.iowa.gov

College Student Aid Commission

Rule Summary **ARC 4080C (NOIA)**
Updates the physical address of the Commission.

State or Federal Law Implemented: Iowa Code chapter 261.

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4081C (NOIA)**
Rescinds administrative rules for the Registered Nurse and Nurse Educator Loan Forgiveness Program. Replaces the Program with the Health Care Loan Repayment Program. Administrative rules have already been promulgated for the new program pursuant to Iowa Code section 261.116.

State or Federal Law Implemented: Iowa Code chapter 261.

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

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LSA Response: The LSA concurs.

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

Natural Resource Commission

Rule Summary **ARC 4072C (AF)**
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.

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

Department of Public Health

Rule Summary **ARC 4074C (AF)**
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.

Rule Summary **ARC 4075C (AF)**
Updates the Maternal and Child Health (MCH) Program definitions, removes the requirement to submit a letter of intent before applying, adopts the U.S. Health Resources and Services Administration MCH pyramid of services by reference, and changes the membership of the MCH Advisory Council from including the chairperson (or designee) of the Bureau of Family Health to a representative from a local MCH contractor.

State or Federal Law Implemented: Iowa Code section [135.11](#).

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4076C (AF)**
Amends existing rules regarding the Center for Rural Health and Primary Care to update definitions, the duties and organization of the advisory committee, the application process, program documentation, award limitations, and matching fund requirements; removes references to the “primary care provider community scholarship program”; and adds that the health care provider will provide one year of obligated

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service in exchange for each year of loan repayment unless federal requirements state otherwise.

State or Federal Law Implemented: Iowa Code sections 135.107 and 135B.33 and 2017 Iowa Acts, ch. 148 (Department of Public Health Omnibus Act).

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

LSA Response: The LSA concurs.

ARC 4077C (AF)

Rule Summary Rescinds the chapter relating to Iowa law enforcement emergency care providers.

State or Federal Law Implemented: Iowa Code chapter 147A.

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

LSA Response: The LSA concurs.

ARC 4078C (AF)

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. Adds sections that outline the requirements for the Department and adds requirements for manufacturers related to the manufacturer testing protocols.

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

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov

Professional Licensure Division

ARC 4051C (NOIA)

Rule Summary Requires prescribing practitioners to check the prescription monitoring program before prescribing opioids and to complete continuing education regarding opioid prescribing. Adds language that allows for Board discipline for practitioners who overprescribe opioids.

State or Federal Law Implemented: Iowa Code chapter 149 and Iowa Code sections 147.62 and 272C.2.

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

LSA Response: The LSA concurs.

ARC 4102C (AF)

Rule Summary Incorporates by reference the requirements for participation in the interstate Physical Therapy (PT) Licensure Compact, adds background check requirements for initial licensure and licensure by endorsement for all physical therapist (PT) and physical therapist assistant (PTA) license applicants, adds a fee for the issuance of a compact

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privilege to practice in Iowa, and waives the compact privilege fee for an active duty military member or spouse.

State or Federal Law Implemented: Iowa Code chapter 272C.

Fiscal Impact **Agency Response:** No fiscal impact. All new PT and PTA licensure applicants will be required to pay the fee for a criminal background check regardless of whether or not they choose to participate in the PT Licensure Compact.

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov

Dental Board

Rule Summary **ARC 4099C (AF)**
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.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov

Board of Medicine

Rule Summary **ARC 4082C (NOIA)**
Amends the rule establishing the standards of practice for the use of medical cannabidiol by adding ulcerative colitis to the list of debilitating conditions for which of medical cannabidiol may be used.

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

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

LSA Response: Minimal fiscal impact. Adding a condition to the list of debilitating medical conditions would allow for more patients and caregivers to apply for medical cannabidiol registration cards, which would generate fee revenue and processing expenses for the Office of Medical Cannabidiol within the Department of Public Health.

Rule Summary **ARC 4093C (NOIA)**
Expands delegation and supervision authority for medical directors at medical spas to include qualified laser technicians and establishes qualifications. Revises the definition of “qualified licensed or certified nonphysician person.”

State or Federal Law Implemented: Iowa Code chapters 148 and 272C.

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

LSA Response: The LSA concurs.

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Rule Summary **ARC 4094C (NOIA)**
Adds a fee for acupuncturists who fail to renew their licensure before the expiration date and establishes the application and licensure fees for genetic counselors.

State or Federal Law Implemented: Iowa Code chapters 147, 148, and 272C.

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

LSA Response: Minimal fiscal impact. Fees for failure of timely renewal are anticipated to be minimal. If eight new genetic counselors are licensed each year, it would generate \$1,600 in revenue for the Board.

Rule Summary **ARC 4095C (NOIA)**
Establishes licensure standards and scope of practice for genetic counselors.

State or Federal Law Implemented: Iowa Code chapters 147, 148, and 272C and 2018 Iowa Acts, ch. 1052 (Licensure of Genetic Counselors Act).

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov

Board of Pharmacy

Rule Summary **ARC 4073C (AF)**
Updates requirements for references to the Correctional Pharmacy administrative rules chapter to be consistent with recent Board of Pharmacy action for other practice settings.

State or Federal Law Implemented: Iowa Code sections 124.303, 124.306, 124.308, 126.10, 126.11, 155A.6A, 155A.6B, 155A.10, 155A.13, 155A.27, 155A.28, 155A.31, 155A.32, 155A.33, 155A.34, 155A.35, 155A.36, and 155A.41.

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4086C (NOIA) & ARC 4085C (AFE)**
Permits any Food and Drug Administration-approved drugs which contain cannabidiol (CBD) derived from cannabis and no more than 0.1 percent tetrahydrocannabinols (THC) to be temporarily placed into Schedule V of the Iowa Uniform Controlled Substances Act.

State or Federal Law Implemented: Iowa Code section 124.201A.

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

LSA Response: The LSA concurs.

Rule Summary **ARC 4092C (NOIA)**
Adds a late fee for change in pharmacy licensure type application and requires a pharmacy to submit an inspection. Clarifies that the 10-mile distance requirement from a telepharmacy to another licensed pharmacy applies to pharmacies that dispense prescription drugs to out-patients.

State or Federal Law Implemented: Iowa Code sections 147.80, 155A.13, and 155A.26.

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

LSA Response: The LSA concurs.

Rule Summary Removes the limitation of a pharmacist to supervise no more than two pharmacist-interns concurrently.

ARC 4091C (NOIA)

State or Federal Law Implemented: Iowa Code section 155A.6.

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

LSA Response: The LSA concurs.

Rule Summary Establishes rules for pharmacist participation in statewide protocols issued by the Department of Public Health for prescribing and dispensing certain medicines to patients within limited age groups.

ARC 4096C (NOIA)

State or Federal Law Implemented: 2018 Iowa Acts, ch. 1142 (Pharmacy Practice Act).

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

LSA Response: The LSA concurs.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov

Board of Regents

Rule Summary Eliminates the current primary formula for the Regent Admissions Index (RAI) and replaces it with the current alternate formula. The RAI is used to determine whether a graduate of an Iowa high school will be automatically admitted to a Regent institution of higher education. The current primary formula uses ACT score, high school class rank, grade point average, and number of courses completed in core subject areas. The alternate formula was developed for use with students whose high schools do not assign a class rank. It is identical to the current primary formula with the exception of class rank.

ARC 4079C (AF)

State or Federal Law Implemented: Iowa Code section 262.9(3).

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

Secretary of State

Rule Summary 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.

ARC 4103C (AF)

State or Federal Law Implemented: Iowa Code section 47.7.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Christopher Ubben (515.231.8142) chris.ubben@legis.iowa.gov

Department of Workforce Development

ARC 4047C (NOIA)

Rule Summary Provides for collecting and recovering unemployment insurance overpayment balances from claimants who have received benefits to which the claimants were not entitled. Provides claimants the ability to pay by credit card, and specifies that the second notice of overpayment should be a demand letter and not another billing statement.

State or Federal Law Implemented: Iowa Code chapter 96.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Labor Division

ARC 4071C (AF)

Rule Summary Adopts by reference federal occupational safety and health regulations related to trace amounts of beryllium.

State or Federal Law Implemented: Iowa Code chapter 88 and 83 Fed. Reg. 19948 (May 7, 2018).

Fiscal Impact **Agency Response:** Fiscal impact cannot be determined. Compliance costs will be reduced by an unknown amount for aluminum production facilities and coal-fired utilities as a result of these changes.

LSA Response: The LSA concurs.

ARC 4088C (NOIA)

Rule Summary Requires additional lighting and conduit for hoistway of new elevators and when an elevator controller is being replaced, additional hoistway lighting will be required.

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

Fiscal Impact **Agency Response:** Minimal fiscal impact. The estimated installation cost for hoistway lighting is \$100 per floor. Conduit is typically part of the package for a new elevator; however, some elevator mechanics do not use the conduit. Labor costs to install the conduit are minimal.

LSA Response: The LSA concurs.

LSA Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Department of Inspections and Appeals

ARC 4070C (AF)

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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State or Federal Law Implemented: Iowa Code sections 10A.104(5) and 135B.7.

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

Iowa Public Employees' Retirement System

ARC 4100C (AF)

Rule Summary Restores language concerning bona fide retirement for newly elected officials that was inadvertently deleted in IPERS' most recent rulemaking. Restoring the language permits IPERS-covered retirees to serve as newly elected officials prior to the completion of a normal four-month bona fide retirement period.

State or Federal Law Implemented: Iowa Code section 97B.52A.

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

LSA Response: The LSA concurs.

LSA Staff Contact: Jennifer D. Acton (515.669.9007) jennifer.acton@legis.iowa.gov

Iowa Public Information Board

ARC 4101C (AF)

Rule Summary Clarifies language concerning requests for review and filing instructions for petitions.

State or Federal Law Implemented: Iowa Code chapters 21 and 22.

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 Veterans Affairs

ARC 4105C (AF)

Rule Summary Amends the Iowa Veterans Trust Fund to update requirements around assistance categories. Changes include:

- Requiring unemployment and underemployment assistance recipients to be physically and mentally able to return to work and to provide documentation of receiving assistance from Iowa Workforce Development and Vocational Rehabilitation if eligible.
- Adding lodging for immediate family members related to ambulance and emergency room services assistance as an eligible category.
- Placing a lifetime maximum benefit of \$10,000 on medical care assistance and housing/vehicle repair assistance.
- Increasing the liquid assets restrictions from \$5,000 to \$15,000 for health care assistance and counseling assistance.

State or Federal Law Implemented: Iowa Code section 35A.13.

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

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LSA Response: The LSA concurs. The amount of awards that can be made from the Veterans Trust Fund are restricted to the \$300,000 made available from the transfer from the Iowa Lottery revenue and interest earned on the Fund.

LSA Staff Contact: Kent Ohms (515.971.7053) kenneth.ohms@legis.iowa.gov
