

**ADMINISTRATIVE SERVICES DEPARTMENT[11]**

**Adopted and Filed**

**Rule making related to targeted small businesses**

The Department of Administrative Services hereby amends Chapter 117, “Procurement of Goods and Services of General Use,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 8A.104, 17A.3 and 17A.4.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 8A.111 and 2017 Iowa Acts, chapter 160 (House File 621).

*Purpose and Summary*

This rule making implements changes made to Iowa Code section 8A.111(7) by 2017 Iowa Acts, chapter 160 (House File 621), which transfers responsibility for the certification of targeted small businesses from the Department of Inspections and Appeals to the Iowa Economic Development Authority. The Iowa Economic Development Authority’s administrative rules related to the certification of targeted small businesses became effective February 21, 2018. The Iowa Department of Inspections and Appeals’ rule making that rescinded rules related to the certification of targeted small businesses became effective May 30, 2018. These amendments update references to certification of targeted small businesses to comport with 2017 Iowa Acts, chapter 160 (House File 621).

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 29, 2018, as **ARC 3966C**. A public hearing was held on September 18, 2018, at 10 a.m. in Conference Room 4, A Level, Hoover State Office Building, Des Moines, Iowa. No one attended the public hearing. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on October 3, 2018.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department’s rules concerning waivers.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or

group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on November 28, 2018.

The following rule-making actions are adopted:

ITEM 1. Amend rule **11—117.2(8A)**, definition of “Targeted small business (TSB),” as follows:  
“*Targeted small business (TSB)*” means a targeted small business as defined in Iowa Code section 15.102 that is certified by the ~~department of inspections and appeals~~ economic development authority pursuant to Iowa Code section ~~40A.104~~ 15.108 and as authorized by Iowa Code chapter 73.

ITEM 2. Amend subrule 117.5(2) as follows:

**117.5(2) Targeted small business (TSB) procurement.**

*a. Justification for TSB procurement.* Agencies may purchase from a TSB without competition for a purchase up to \$10,000.

*b. Special procedures for TSB procurements.* Agencies must confirm that the vendor is certified as a TSB by the ~~department of inspections and appeals~~ economic development authority. An agency may contact the TSB directly.

[Filed 10/3/18, effective 11/28/18]

[Published 10/24/18]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 10/24/18.