

PUBLIC HEALTH DEPARTMENT[641]

Notice of Intended Action

**Proposing rulemaking related to nonpayment of state debt
and providing an opportunity for public comment**

The Department of Health and Human Services (HHS) hereby proposes to rescind Chapter 194, “Nonpayment of State Debt,” Iowa Administrative Code, and to adopt a new chapter with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 272D.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 272D.

Purpose and Summary

This proposed rulemaking sets forth HHS procedure in denying the issuance, renewal, suspension or revocation of a professional license for nonpayment of state debt. This process commences upon receipt of a certificate of noncompliance from the centralized collection unit of the Department of Revenue.

A Regulatory Analysis, including the proposed rule text, was published on November 1, 2023. A public hearing was held on November 28, 2023. The HHS received no public comments. The Administrative Rules Coordinator provided preclearance for publication of this Notice of Intended Action on December 4, 2023.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

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

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the HHS for a waiver of the discretionary provisions, if any, pursuant to 441—Chapter 6.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking. Written comments in response to this rulemaking must be received by the HHS no later than 4:30 p.m. on February 26, 2024. Comments should be directed to:

Joe Campos
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.304.0963
Email: compliancerules@idph.iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

February 14, 2024
11 to 11:30 a.m.

Microsoft Teams meeting ID: 212 588 466 197
Passcode: SThXzX

February 26, 2024
1 to 2 p.m.

Microsoft Teams meeting ID: 249 196 980 071
Passcode: 9dQkSC

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the HHS and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking 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).

The following rulemaking action is proposed:

ITEM 1. Rescind 641—Chapter 194 and adopt the following **new** chapter in lieu thereof:

CHAPTER 194
NONPAYMENT OF STATE DEBT

641—194.1(272D) Definitions. For the purpose of this chapter, the following definitions shall apply.

“*Applicant*” means an individual who is seeking the issuance of a license.

“*Centralized collection unit*” means the centralized collection unit of the Iowa department of revenue.

“*Certificate of noncompliance*” means the same as defined in Iowa Code section 272D.1.

“*Denial notice*” means a licensing authority notification denying an application for the issuance or renewal of a license as required by Iowa Code chapter 272D.

“*License*” means the same as defined in Iowa Code section 272D.1.

“*Licensing authority*” means a board, commission, or any other entity of the department that has authority within this state to suspend or revoke a license or deny the renewal or issuance of a license authorizing a person to engage in a business, occupation, or profession.

“*Revocation or suspension notice*” means a licensing authority notification suspending a license for an indefinite or specified period of time or a notification revoking a license as required by Iowa Code chapter 272D.

“*Withdrawal certificate*” means the same as defined in Iowa Code section 272D.1.

641—194.2(272D) Denial of issuance or renewal of a license or suspension or revocation of a license. The licensing authority shall deny the issuance or renewal of a license or suspend or revoke a license upon the receipt of a certificate of noncompliance from the centralized collection unit per the procedure set forth in Iowa Code chapter 272D. This rule shall apply in addition to the procedures set forth in Iowa Code chapter 272D.

194.2(1) Service of denial, suspension or revocation notice. Notice will be served upon the applicant or licensee by certified mail, return receipt requested; by personal service; or through authorized counsel.

194.2(2) Licensees and applicants responsible to inform licensing authority. Licensees and applicants shall keep the licensing authority informed of all court actions and all centralized collection unit actions taken under or in connection with Iowa Code chapter 272D. Licensees and applicants shall

also provide the licensing authority copies, within seven days of filing or issuance, of all applications filed with the district court pursuant to Iowa Code chapter 272D, all court orders entered in such actions, and any withdrawals of certificates issued by the centralized collection unit.

194.2(3) *Reinstatement following license denial, suspension or revocation.* All licensing authority fees required for application, license renewal, or license reinstatement must be paid by applicants or licensees before a license will be issued, renewed, or reinstated after the licensing authority has denied the issuance or renewal of a license or suspended or revoked a license pursuant to Iowa Code chapter 272D.

194.2(4) *Effect of filing in district court.* In the event an applicant or a licensee files a timely district court action following service of a denial notice by a licensing authority or service of a revocation or suspension notice, the licensing authority will continue with the intended action described in the notice upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the licensing authority to proceed. For purposes of determining the effective date of the denial of the issuance or renewal of a license or of the suspension or revocation of a license, the licensing authority will count the number of days before the action was filed and the number of days after the action was disposed of by the court.

194.2(5) *Final notification.* The licensing authority will notify the applicant or licensee in writing through regular first-class mail, or by such other means as the licensing authority determines appropriate in the circumstances and will similarly notify the applicant or licensee if the license is issued or renewed following the licensing authority's receipt of a withdrawal certificate.

641—194.3(272D) Sharing of information. The department may share applicant or licensee information with the centralized collection unit pursuant to Iowa Code chapter 272D.

These rules are intended to implement Iowa Code chapter 272D.