

HOMELAND SECURITY AND EMERGENCY MANAGEMENT DEPARTMENT[605]

Regulatory Analysis

Notice of Intended Action to be published: 605—Chapter 14
“Flood Mitigation Program”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 418

State or federal law(s) implemented by the rulemaking: 2024 Iowa Acts, Senate File 2370

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

July 15, 2025
9 a.m.

Geode Room
7900 Hickman Road, Suite 500
Windsor Heights, Iowa

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Homeland Security and Emergency Management Department no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Purpose and Summary

Pursuant to Executive Order 10 and 2024 Iowa Acts, Senate File 2370, the Department proposes to rescind Chapter 14 and adopt a new combined chapter in lieu thereof. The proposed chapter describes the structure and guidelines in which the Flood Mitigation Program described in Iowa Code chapter 418 will be implemented.

The proposed new chapter omits language that is duplicative of the Iowa Code, overly restrictive or obsolete and, as a result, shortens the chapter.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

• Classes of persons that will bear the costs of the proposed rulemaking:

There is no direct cost associated with the proposed rulemaking.

• Classes of persons that will benefit from the proposed rulemaking:

All individuals within the State benefit from a well-run and documented Flood Mitigation Program.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

• Quantitative description of impact:

The Department, via the Flood Mitigation Board (FMB), has administered \$36,003,186 in funding since 2019. That funding is subject to the application and approval process described via Iowa Code chapter 418 and 605—Chapter 14.

• Qualitative description of impact:

There are various funds and programs created via Iowa Code chapter 418 under the authority of the Department and the FMB. These proposed rules help in the administration of the application and approval process of the various funds.

3. Costs to the State:

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no direct costs to the State for implementation of these rules.

- **Anticipated effect on State revenues:**

These proposed rules have no direct impact on State revenues. Rather, these proposed rules describe the administrative process to allocate funding described in Iowa Code chapter 418.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

These proposed rules clarify and implement the application and approval process for jurisdictions to apply for funding as detailed in Iowa Code chapter 418. Without these rules, there would be a lack of clarity for applicants and in the FMB process for intake and approval of applications.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

The Department seeks to implement these proposed rules in a manner that is the least intrusive and prescriptive as possible, while still maintaining the responsibilities detailed in Iowa Code chapter 418.

6. Alternative methods considered by the agency:

- **Description of any alternative methods that were seriously considered by the agency:**

No alternative methods were seriously considered.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This proposed rulemaking has no direct impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 605—Chapter 14 and adopt the following **new** chapter in lieu thereof:

CHAPTER 14
FLOOD MITIGATION PROGRAM

605—14.1(418) Purpose. In accordance with Iowa Code section 418.7, the flood mitigation board establishes the policies and procedures for the creation and administration of an Iowa flood mitigation

program and all authorized funding sources detailed in Iowa Code chapter 418 and under control of the flood mitigation board.

605—14.2(418) Definitions.

“Board” means the flood mitigation board created in Iowa Code section 418.5.

“Department” means the same as defined in Iowa Code section 418.1.

“Director” means the same as defined in Iowa Code section 29C.2.

“Governmental entity” means the same as defined in Iowa Code section 418.1.

“Project” means the same as defined in Iowa Code section 418.1.

“Sales tax” means the same as defined in Iowa Code section 418.1.

605—14.3(418) Board.

14.3(1) The board is established and housed, for administrative purposes, within the department. The director may provide office space, staff assistance, supplies and equipment, and budget funds to pay the necessary expenses of the board.

14.3(2) The board shall be established and composed pursuant to Iowa Code section 418.5.

14.3(3) The board shall meet at a time and place determined by the board. Additional meetings may be called by the following:

- a.* Chairperson,
- b.* Vice chairperson, or
- c.* Director.

14.3(4) All meetings of the board are public meetings and shall be conducted in accordance with Iowa Code chapter 21.

605—14.4(418) Flood mitigation project eligibility.

14.4(1) An eligible applicant is a governmental entity as defined in rule 605—14.2(418).

14.4(2) Eligible project types include those defined as “project” in Iowa Code section 418.1.

605—14.5(418) Applications. The board will prescribe the form of the applications, instructions and associated documents. In addition to requirements for applications and project plans detailed in Iowa Code section 418.9, applications, requirements, instructions, programmatic guidance, and forms are available through the department and its website, homelandsecurity.iowa.gov.

605—14.6(418) Sales tax increment calculation and sales tax increment fund. The calculation of the sales tax increment and operation of the fund is addressed in 701—Chapter 272.

605—14.7(418) Reports.

14.7(1) Following the approval of a project application, the governmental entity shall, on or before December 15 of each year, submit a report to the board detailing the following:

- a.* The current status of the project.
- b.* The total expenditures and types of expenditures that have been made related to the project.
- c.* The amount of total project cost remaining as of the date the report is submitted.
- d.* The amounts, types, and sources of funding being used.
- e.* The amount of bonds issued or other indebtedness incurred for the project, including information related to the rate of interest, length of term, cost of issuance, and net proceeds. This report will also include the amounts and types of moneys used for payment of such bonds or indebtedness.

14.7(2) The treasurer of state shall report to the department any moneys that are disbursed to a recipient of financial assistance under the program.

14.7(3) Any governmental entity that receives assistance in the form of sales tax revenues under the program shall provide to the board all reports that are mandated as part of receiving federal financial assistance.

These rules are intended to implement Iowa Code chapter 418.