Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 193G—Chapter 2 "Registration"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 544C.3
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 544C

Public Hearing

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

October 22, 2024 3 p.m.	6200 Park Avenue Des Moines, Iowa Virtual: us02web.zoom.us/j/87157328415?pwd=MUJIuarfeYpA4aEog7FSkQfzHyXifN.1

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis. Written comments in response to this Regulatory Analysis must be received by the Interior Design Examining Board (Board) 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

Proposed Chapter 2 establishes the minimum standards for interior design registration. The public, registrants, and applicants benefit from the chapter as it articulates the processes by which individuals apply for registration as directed in statute. This includes the processes for initial registration, renewal, and reinstatement. These requirements ensure public safety by ensuring that any individual who holds a registration has minimum competency. Requirements include the application process, minimum educational and training qualifications and examination requirements.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

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

There is a cost to the applicant as complying with the minimum requirements to become registered in the profession is at the expense of the registrant.

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

The public and professionals benefit from the proposed chapter. Establishing minimum registration requirements ensures that practitioners are competent to practice interior design and to stamp/seal technical drawings. Without having an established threshold for those who wish to stamp and seal drawings, individuals who are not appropriately trained could cause serious harm to the public.

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:

Estimation of the cost of education and other registration requirements to become an Iowa registered interior designer are as follows:

- Education: Fees vary as education can be earned at a community college or university.
- Experience/Training: There is not usually a cost, as interior designers are paid for their work at a firm.
- Examination fee: $225 (initial registration by examination only, paid to the Council for Interior Design Qualification)
- Iowa Registration Fee: $275

Minnesota's registration fee is $120. Nebraska enacted legislation for an interior design registry to begin in 2025.

- Qualitative description of impact:

In order to regulate and register professions as directed in statute, baseline standards for registration are critical to protecting public safety. The cost of inaction would increase the potential for injury to the public by a registrant who is not qualified to perform the work of stamping/sealing technical drawings.

3. Costs to the State:

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

Costs to the agency are the staff time needed to manage Board activities (i.e., managing applications for initial registrations, renewals and reinstatements). Staff salaries to support the work of the Board are covered by the Licensing and Regulation Fund. Registration fees go to the fund to cover the operations of the regulated professional licensing boards.

- Anticipated effect on state revenues:

Costs associated with implementing this chapter are paid by individual registrants, not the State. There is no anticipated impact by this chapter to state revenues.

Staff salaries to support the work of the Board are covered by the Licensing and Regulation Fund. Registration fees go to the fund to cover the operations of the regulated professional licensing boards.

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

Interior design registration is voluntary. However, if a person wishes to seal/stamp technical documents, the person needs to be registered. The Board believes the current requirements assure public safety and ensure a minimum competency of service is provided to Iowans.

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

Since registration is only required of those who wish to stamp/seal technical documents, the Board believes all current requirements ensure public safety and ensure a minimum competency of service is provided to Iowans. The Board believes the cost of registration for this profession justifies the benefits achieved because it ensures that Iowans are able to safely interact with the built environment.

6. Alternative methods considered by the agency:

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

The Board has not identified another option as this registration is voluntary. Other states, including Nebraska, have recently begun registering interior designers. The Board believes the cost to voluntarily register helps to ensure that Iowans are able to safely interact with the built environment.

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

The Board believes the cost to voluntarily register justifies the benefits achieved because it ensures that Iowans are able to safely interact with the built environment. Having the Board determine minimum qualifications is a safeguard to help prevent bad actors from stamping/sealing documents.

Due to State government realignment, this Board is now part of the Department of Inspections, Appeals, and Licensing (DIAL). DIAL's Professional Licensing Division continues to assess and implement opportunities to increase efficiencies and standardize processes across all professional licensing boards. The revised chapter supports this effort. DIAL is actively pursuing a single licensing platform to assist in standardizing licensing.

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?

The proposed chapter relates to public safety concerns that are present whether the business is a small business or a large organization. The chapter is meant to ensure public safety in terms of registration requirements. While some interior designers likely are running a small business of their own, some work for large corporations and firms. To exempt small businesses from adhering to this chapter would jeopardize any member of the public who sought services from those small businesses. The risk to the public is greater than the potential harm or cost to the small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 193G—Chapter 2 and adopt the following **new** chapter in lieu thereof:

CHAPTER 2
REGISTRATION

193G—2.1(544C) Certificate of registration. All applicants for registration will complete a board-approved application and satisfy the interior design education, practical training, examination, and fee requirements established by this rule.

2.1(1) *Education and practical training.* An applicant for registration shall meet the education and training requirements set forth in Iowa Code section 544C.5.

2.1(2) *Examination.* An applicant for registration will verify successful completion of the National Council for Interior Design Qualification examination or its equivalent.

2.1(3) *Reciprocity.* The board may also grant registration by reciprocity as provided in Iowa Code section 544C.6.

2.1(4) *Military service and veteran reciprocity.* The board may grant registration for military service applicants, spouses, and veterans as provided for in 481—Chapter 7.

2.1(5) *Registration by verification.* The board may grant registration via verification as provided for in 193—Chapter 14.

193G—2.2(17A,272C,544C) Renewal of certificates of registration. Certificates of registration expire biennially on June 30. Certificates issued to registrants with last names beginning with A through K expire on June 30 of even-numbered years and certificates issued to registrants with last names beginning with L through Z expire on June 30 of odd-numbered years. However, a registration issued on or after May 1 but before June 30 will not expire until June 30 of the next renewal. For example, a license issued on May 17, 2020, would not expire until June 30, 2022. A registrant who fails to renew by the expiration date is not authorized to use the title of registered interior designer in Iowa until the certificate is reinstated as provided in rule 193G—2.3(544C,17A).

2.2(1) It is the policy of the board to send to each registrant a notice of the pending expiration date. Failure to receive this notice does not relieve the registrant of the responsibility to timely renew the certificate and pay the renewal fee.

2.2(2) If grounds exist to deny a timely and sufficient application to renew, the board shall send written notification to the applicant by restricted certified mail, return receipt requested. Grounds may exist to deny an application to renew if, for instance, the registrant failed to satisfy the continuing education provisions required as a condition for registration. If the basis for denial is a pending disciplinary action or disciplinary investigation that is reasonably expected to culminate in disciplinary action, the board shall proceed as provided in 193—Chapter 7. If the basis for denial is not related to a pending or imminent disciplinary action, the applicant may contest the board's decision as provided in 193—subrule 7.40(1).

2.2(3) When a registrant appears to be in violation of mandatory continuing education requirements, the board may, in lieu of proceeding to a contested case hearing on the denial of a renewal application as provided in rule 193—7.40(546,272C), and after or in lieu of giving the licensee an opportunity to come into compliance under rule 193G—3.3(17A,544C), offer a registrant the opportunity to sign a consent order. While the terms of the consent order will be tailored to the specific circumstances at issue, the consent order will typically impose a penalty between $50 and $250, depending on the severity of the violation; establish deadlines for compliance; and require that the registrant complete hours equal to double the deficiency in addition to the required hours. The consent order may impose additional educational requirements on the registrant. Any additional hours of continuing education completed in compliance with the consent order cannot again be claimed at the next renewal. The board will address subsequent offenses on a case-by-case basis. A registrant is free to accept or reject the offer. If the offer of settlement is accepted, the registrant will be issued a renewed certificate of registration and will be subject to disciplinary action if the terms of the consent order are not fulfilled. If the offer of settlement is rejected, the matter will be set for hearing if timely requested by the registrant pursuant to 193—subrule 7.40(1).

2.2(4) A registrant who continues to use the title of registered interior designer in Iowa after the registration has expired may be subject to disciplinary action. Such unauthorized activity may also be grounds to deny a registrant's application for reinstatement.

2.2(5) Registrants shall notify the board within 30 days of any change of address or business.

193G—2.3(544A,17A,272C) Grounds for denial of registration renewal. Failure of a registrant to complete the continuing education requirements as set forth in 193—Chapter 3, failure to file a report of completed continuing education, or failure to submit a written request for waiver or exemption shall be grounds for the board to deny renewal of the registration.

193G—2.4(544A,17A) Reinstatement of certificates of registration. An individual may reinstate a lapsed certificate of registration to active registration by doing the following:

1. Paying the current renewal fee;
2. Paying the reinstatement fee of $100;
3. Providing a written statement outlining the professional activities that the applicant performed in Iowa during the period of nonregistration, including a list of all projects with which the applicant had involvement and explaining the service provided by the applicant; and

4. Submitting documented evidence of completion of 10 continuing education hours, which should have been reported on the June 30 renewal date on which the applicant failed to renew, and 5 continuing education hours for each year or portion of a year of expired registration up to a maximum of 20 continuing education hours. All continuing education hours are to be completed in health, safety, and welfare subjects; be acquired in structured educational activities; and be in compliance with requirements in 193G—Chapter 3. The continuing education hours used for reinstatement may not be used again at the next renewal and may not have been earned more than four years prior to the date of the application to reinstate.

193G—2.5(544A) Applications.

2.5(1) The interior designer is responsible for verifying the accuracy of the information submitted on applications regardless of how the application is submitted or by whom it is submitted. For instance, if the office manager of an interior designer's firm submits an application for renewal on behalf of the interior designer and that information is incorrect, the interior designer will be held responsible for the information and may be subject to disciplinary action.

2.5(2) Persons applying for initial, renewal, or reciprocal registration will submit an application on a form provided by the board and pay a registration fee of $275. An applicant applying for initial, reciprocal, or reinstatement registration within 12 months from the applicant's renewal date pays half of the required fee. An applicant applying for initial, reciprocal, or reinstatement registration 12 months or more from the applicant's renewal date pays the full registration fee.

2.5(3) Fee schedule.

Type of fee	Amount
Registration fee	$275
Renewal	$275
Reinstatement of lapsed registration	$100
License predetermination fee	$25
Dishonored check, draft, order or other payment failure	$30

All fees are nonrefundable.

These rules are intended to implement Iowa Code chapter 544C.