Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 193G—Chapter 7 "Disciplinary Proceedings"

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 no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Lori SchraderBachar
Iowa Department of Inspections, Appeals, and Licensing
6200 Park Avenue
Des Moines, Iowa 50321
Phone: 515.725.9030
Email: lori.schraderbachar@dia.iowa.gov

Purpose and Summary

The purpose of Chapter 7 is to provide information to the public and registrants about the disciplinary proceedings the Board can impose on a registrant.

This chapter will be rescinded and will be combined with other rules regarding disciplinary action in 193G—Chapter 5 to perform the same intended benefit of Chapter 7.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

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

Costs are not generally incurred by the public.

Registrants are responsible for costs associated with disciplinary actions. Civil penalties are capped at $1,000 per instance.

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

The intended benefit of this rulemaking is to ensure public safety and maintain a high level of service for Iowans. The Board rarely receives complaints and takes few disciplinary actions. In fiscal year 2024, the Board did not receive any complaints.

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:

Because complaints are rare, costs are extremely low. The Board believes that the benefits achieved justify the low cost because interior design, especially having the ability to stamp/seal drawings, is a profession that requires knowledge, training, and skill.

The Board has not identified a less restrictive alternative to public protection. There could be consideration of reducing or eliminating professional standards and grounds for discipline, but the Board believes that these requirements are important in order to ensure the safety of Iowans in the built environment.

- Qualitative description of impact:

Establishing minimum requirements and imposing discipline on registrants when requirements are not met ensures safety for the registrant and the consumer. The cost of inaction would increase the potential for injury to the public and would leave the public without a method to file a complaint or seek discipline against a registrant who violates professional standards.

3. Costs to the State:

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

A cost to the agency is the staff time needed to manage Board activities, which include managing complaints and conducting investigations when a registrant violates applicable rules or laws. Shared staff at approximately 0.25 of a full-time equivalent position support the entirety of the work of the Board. Staff salaries are covered by the Licensing and Regulation fund. Licensing 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 rule are paid by individual registrants, not the State. Staff salaries to support the work of the Board are covered by the Licensing and Regulation Fund. Licensing fees go to the Fund to cover the operations of the regulated professional licensing boards. Disciplinary fees collected under this authority go to the General Fund.

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

Because there are only a small number of complaints submitted, costs are extremely low. The Board believes that the benefits achieved justify the low cost because interior designers have been able to stamp/seal for only one year. This profession requires knowledge, training, and skill. While a low number of complaints can call into question the extent to which a profession needs to be regulated, the new law allowing registered interior designers to stamp/seal documents can impact public safety. The Board believes that regulation is necessary.

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

The Board has not identified a less restrictive alternative to public protection. There could be consideration of reducing or eliminating professional standards and grounds for discipline, but the Board believes that these requirements are important in order to ensure the safety of Iowans in 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 any alternatives to these disciplinary rules.

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

The Board has not identified any alternatives to these disciplinary rules.

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 practice standards for registered interior designers. While some registered interior designers likely are running a small business of their own, some work for large organizations. To exempt small businesses from adhering to this rule 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 and reserve **193G—Chapter 7**.