Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 661—Chapters 504, 550 to 553, 559
"Standards for Electrical Work; Electrical Inspection Program—Organization and Administration; Electrical Inspection Program—Definitions; Electrical Inspection Program—Permits and Inspections; Civil Penalties; Utility Notifications and Responsibilities of Utilities"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 103.6

State or federal law(s) implemented by the rulemaking: Iowa Code chapter 103 and Executive Order 10

Public Hearing

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

October 22, 2024 9:30 a.m.	Ledges Conference Room 6200 Park Avenue Des Moines, Iowa

Information on virtual participation will be available on the Department's website prior to the hearing.

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 Department of Public Safety 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

This proposed rulemaking rescinds Chapters 504, "Standards for Electrical Work"; 550, "Electrical Inspection Program—Organization and Administration"; 551, "Electrical Inspection Program—Definitions"; 552, "Electrical Inspection Program—Permits and Inspections"; 553, "Civil Penalties"; and 559, "Utility Notifications and Responsibilities of Utilities" and repromulgates pertinent rules in a new streamlined and combined chapter under Chapter 550, "Electrical Inspection Program." This proposed rulemaking implements Iowa Code section 103.6 in accordance with the goals and directives of Executive Order 10.

Iowa Code section 103.6 provides that the Electrical Board will adopt rules pursuant to Iowa Code chapter 17A and those rules will be governed by the minimum standards set forth in the most current publication of the National Electrical Code issued and adopted by the National Fire Protection Association (NFPA) and amendments to the Code. The Board will also adopt rules establishing wiring standards that protect public safety and health and property. Those standards will apply to all electrical wiring installed pursuant to Iowa Code chapter 103. Iowa Code section 103.6 also requires

that the Board establish and provide for the collection of fees for inspection and other services, with maximum fees set forth in Iowa Code chapter 103.

This rulemaking implements the aforementioned Iowa Code sections by establishing the Electrical Inspection Program, which enforces electrical installation requirements as set forth by the Electrical Examining Board. The rulemaking establishes the organization and hierarchy of the program and sets forth uniform qualifications of inspectors. The rulemaking also sets universal fees for services provided by the Electrical Inspection Program.

Substantive changes to these rules include the adoption of a more recent edition of NFPA's National Electrical Code—from the 2020 edition through the 2023 edition—in order to appropriately implement Iowa Code section 103.6(1)"a." It also includes updating inspector qualifications to include additional certification options provided by the NFPA and International Code Council. Finally, it corrects language related to the point at which failure to properly submit a request for permit and inspection subjects an individual to potential civil penalty in accordance with Iowa Code section 103.25. Other changes to these rules include nonsubstantive editorial revisions, including deleting language that is duplicative of the Iowa Code.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

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

Members of the electrical industry will bear the costs of the proposed rulemaking by paying fees associated with the rulemaking and operating in compliance with the pertinent edition of the NFPA National Electrical Code adopted therein.

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

Uniformity in permitting and inspections, achieved through consistent processes and adoption of the NFPA National Electrical Code, benefits both the general public, and members of the regulated industry. The public will benefit by the proposed rulemaking which protects safety, health, and property. The members of the industry will benefit by having clear standards, consistent with other jurisdictions, within which to work.

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:

With respect to the adoption of the 2023 NFPA National Electrical Code, there appears to be a net neutral regulatory burden between the 2020 and 2023 editions. Substantively, the costs of projects, whether governed by the 2020 or 2023 edition of NFPA's National Electrical Code, vary greatly depending on factors such as the type of work being done, the size of the project, and the condition of any existing electrical work, among other factors. A comparison of the primary differences between the 2020 and 2023 editions, however, demonstrates minimal anticipated differences in costs of mandatory items overall. For example, removal of a requirement related to kitchen island or peninsula receptacles could result in a reduced cost of approximately $70 under the 2023 edition. Ground-fault circuit interrupter (GFCI) protection for hardwired or cord-and-plug-connection kitchen appliances under the 2020 edition was required for kitchen appliances within six feet of the sink and under the 2023 edition is applicable to all kitchen appliances. If a particular project utilizes appliances that are all beyond the prior distance requirement, a cost of approximately $119 could be incurred under the 2023 edition as compared to the 2020 edition.

With respect to fees and civil penalties, this rulemaking proposes no substantive changes to the fee structure presently in operation. All changes related to fees are nonsubstantive in that the proposed rules merely adopt by reference the fee schedule set forth in Iowa Code section 103.32, rather than restating all fees in the Iowa Administrative Code. Notably, Iowa's fees match the fees in the state of Nebraska.

- Qualitative description of impact:

With respect to the adoption of the 2023 NFPA National Electrical Code, there is a benefit to both the public and the regulated industry in maintaining industry standards that are modern and in line with other jurisdictions. Notably, many other states, including the surrounding states of Minnesota, Nebraska, South Dakota, and North Dakota, have adopted or are in the process of adopting the 2023 NFPA National Electrical Code.

3. Costs to the State:

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

There are no costs to the Department specifically associated with this rulemaking. Any costs associated with implementation and enforcement of the proposed chapter are directly associated with the Board's statutory duties pursuant to Iowa Code chapter 103. Costs to the Department include staff salaries to support the work of the Board and administer the program in totality, including application review, response to licensing inquiries, managing complaints, conducting investigations, and enforcing discipline. Costs to the Department in administering the program are covered by the licensing and inspection fees required by Iowa Code sections 103.19, 103.25, and 103.32.

- Anticipated effect on state revenues:

There is no anticipated effect on state revenues. As set forth above, this rulemaking proposes no substantive changes to the fee structure presently in operation. The only changes related to fees are nonsubstantive revisions in that the proposed rules merely adopt by reference the fee schedule set forth in Iowa Code rather than restating all fees in the Iowa Administrative Code. Costs to the Department in administering the program are covered by the licensing and inspection fees required by Iowa Code sections 103.19, 103.25, and 103.32.

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

As described above, Iowa Code section 103.6 requires that the Electrical Examining Board adopt rules as governed by the minimum standards set forth in the most current publication of the National Electrical Code issued and adopted by the National Fire Protection Association, establishing wiring standards that protect public safety and health and property and that apply to all electrical wiring that is installed pursuant to Iowa Code chapter 103, and establishing amounts and providing for the collection of fees for inspection and other services.

There are no specific financial costs to implement or enforce this rulemaking outside of any costs associated with the Board and the Department's statutory duties identified. The costs of this rulemaking are directly associated with the Department's general functions, and this rulemaking does not add excess costs. The benefits of uniformity in permitting and inspections, achieved through consistent processes and adoption of the NFPA National Electrical Code consistent with neighboring jurisdictions, and statutory compliance are paramount.

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

As described above, there appears to be an overall net neutral regulatory burden between the 2020 and 2023 editions of the 2023 NFPA National Electrical Code. There are no other substantive changes proposed in this rulemaking affecting costs. As the Electrical Inspection Program is statutorily required, including adoption of the minimum standards set forth in the most current publication of the National Electrical Code issued and adopted by the NFPA, no less costly or less intrusive method for achieving the purpose of the proposed rulemaking has been identified.

6. Alternative methods considered by the agency:

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

See response to Question 5 above.

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

See response to Question 5 above.

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 rulemaking provides for consistency and uniformity in electrical inspections and standards and does not make accommodations for size of business performing the installation work. If a small business identified a rule that is overly burdensome and the goals of which could be achieved in a manner that would reduce the impact on the small business, it could utilize the Board's established waiver process.

Text of Proposed Rulemaking

ITEM 1. Rescind and reserve **661—Chapter 504**.

ITEM 2. Rescind and reserve **661—Chapter 551**.

ITEM 3. Rescind and reserve **661—Chapter 552**.

ITEM 4. Rescind and reserve **661—Chapter 553**.

ITEM 5. Rescind and reserve **661—Chapter 559**.

ITEM 6. Rescind 661—Chapter 550 and adopt the following **new** chapter in lieu thereof:

CHAPTER 550
ELECTRICAL INSPECTION PROGRAM

661—550.1(103) Electrical inspection program. The electrical inspection program is created within the department of inspections, appeals, and licensing and may be contacted as provided in 481—Chapter 1 and on the department's website: dial.iowa.gov. The program is under the supervision of the director, is headed by a chief electrical inspector, and enforces requirements for electrical installations adopted by the electrical examining board.

661—550.2(103) Definitions. The definitions set forth in Iowa Code sections 103.1 and 103.1A are incorporated herein by reference. The following definitions also apply:

"Emergency installation" means an electrical installation necessary to restore power to a building or facility when existing equipment has been damaged due to a natural or manmade disaster or other weather-related cause. Emergency installations may be performed by persons properly licensed to perform the work and may be performed prior to submission of a request for permit or request for inspection.

"Residential electrical work" means electrical work in a residence in which there are no more than four living units within the same building and includes work to connect and work within accessory structures, which are structures no greater than 3,000 square feet in floor area, not more than two

stories in height, the use of which is incidental to the use of the dwelling unit or units, and located on the same lot as the dwelling unit or units.

"Volunteer emergency service provider" means a volunteer fire fighter as defined in Iowa Code section 85.61, a volunteer emergency rescue technician as defined in Iowa Code section 147A.1 or a reserve peace officer as defined in Iowa Code section 85.61.

661—550.3(103) Installation requirements. The provisions of the National Electrical Code, 2023 edition, published by the National Fire Protection Association, are incorporated herein by reference as the requirements for electrical installations performed by persons subject to licensing and inspection pursuant to Iowa Code chapter 103 and rules promulgated thereunder.

661—550.4(103) Qualifications of inspectors.

550.4(1) *State inspectors.* Electrical inspectors will be certified as commercial and residential electrical inspectors no later than one year after starting employment in any of these positions. Certification will be obtained from the International Association of Electrical Inspectors as both a certified residential electrical inspector and as a certified master electrical inspector; from the National Fire Protection Association as a certified electrical inspector; or from the International Code Council as both a residential electrical inspector (E1) and a commercial electrical inspector (E2), or as an electrical inspector (E5).

550.4(2) *Political subdivision inspectors.* A political subdivision that performs its own inspections as provided in Iowa Code section 103.24 must require certification of its inspectors. A person employed or appointed as an electrical inspector must obtain certification within one year of the appointment date. The board may act to enforce statutory compliance by the individual or by the political subdivision if a person employed or appointed as an inspector fails to obtain certification within one year of employment or appointment or fails to maintain the required certification while employed as an inspector. Certification of electrical inspectors for political subdivisions shall be obtained as set forth in subrule 550.4(1), except that a political subdivision has the authority to limit an inspector's duties to only residential inspections or only commercial inspections provided the inspector assigned to those duties obtains and maintains the proper certification to conduct the inspections assigned.

661—550.5(103) Fees. Fees are adopted in the amounts set forth in Iowa Code section 103.32. When an installation has been commenced with no Permit and Inspection Request form having been filed, twice the fees that would have been applicable if a timely request for permit and inspection had been filed shall be paid.

661—550.6(103) Required permits and inspections.

550.6(1) Permits and inspections are required for any electrical installations set forth in Iowa Code section 103.23, with the following exceptions:

a. Exception 1: Installations in political subdivisions that perform electrical inspections and that are inspected by the political subdivision are not required to be inspected by the state electrical inspection program. Any installation that is subject to inspection and is on property owned by the state or an agency of the state shall be inspected by the state electrical inspection program. An electrical installation on a farm that is located outside the corporate limits of any municipal corporation (city) shall not be inspected by a political subdivision.

b. Exception 2: Neither a permit nor an inspection is required for an electrical installation that meets all of the following criteria:

(1) The installation is legally performed by a master electrician, journeyman electrician, or apprentice electrician working under the direct supervision of a master or journeyman electrician.

(2) The installation to be performed does not in any way involve work within an existing or new switchboard or panel board.

(3) The installation to be performed does not involve over-current protection of more than 30 amperes.

(4) The installation to be performed does not involve any electrical-line-to-ground circuit of more than 277 volts, single phase.

c. Exception 3: Neither a permit nor an inspection is required for any electrical installation on a farm or a farm building if the farm building is not regularly open to the public as a place of business for the retail sale of goods, wares, services, or merchandise. This exception does not apply to a residential installation located on a farm.

550.6(2) The owner of a property on which multiple electrical installations may be performed during a 12-month period may apply for an annual permit to cover all such installations. The holder of an annual permit shall maintain a log of all installations performed pursuant to the annual permit and make the log available to an electrical inspector upon request. The owner shall cause the electrical inspection program to be notified of any such installation requiring an inspection and shall be subject to fees for such inspections as though an individual permit had been issued for each installation requiring an inspection. The fee for an annual permit is $100.

661—550.7(103) Request for inspection.

550.7(1) Prior to commencement of any electrical installation requiring an inspection, the person making such installation shall notify the electrical inspection program of the installation by applying for a permit unless the installation is covered by an annual permit issued pursuant to subrule 550.6(2) or is an emergency installation. For emergency installations that would otherwise require a request for permit and inspection under rule 661—550.6(103), the request shall be made as soon as practicable and no later than 72 hours after the installation is completed. An inspection may be requested:

a. By completing and electronically submitting a Request for Permit form and submitting permit and inspection fees through the department's website.

b. By completing a Request for Inspection form and mailing it and the inspection fees to the department at least seven days prior to the commencement of the installation. The Request for Inspection form may be obtained through the department's website or upon request to the department.

550.7(2) Inspection fees will normally be paid at the time a permit is obtained. However, additional fees may apply if a permit is modified by an inspector, based upon inspection of the electrical installation. The person who obtained the original permit will be notified immediately by the inspector of the modification and of the amount of any additional fees due. Any additional fees will be due at the time the person responsible for payment receives notification of modification of the permit.

a. If an additional fee or portion of the fee is more than 60 days past due, the board or its delegee will notify the person responsible for payment of the fee of the necessity of promptly making the payment.

b. If an additional fee or portion of the fee is more than 120 days past due, the board or its delegee may suspend the ability of the person responsible for the payment to obtain inspection permits. The person's ability to obtain permits will be restored when payment of the past due amount has been received. Suspension of a person's ability to obtain permits may be appealed to the board as provided in rule 661—503.4(103).

c. If payment of a fee or portion of a fee is more than 180 days past due, the board may refer the debt for collection pursuant to Iowa Code chapter 272D.

661—550.8(103) Scheduling of inspections. Pursuant to Iowa Code section 103.31, electrical inspections will be scheduled within three business days of the receipt of the request. If an inspection for which a timely request has been made is not completed within three business days of the completion of the installation, a licensee who completed the installation may energize any new circuits included in the installation, although the installation remains subject to condemnation and disconnection if found to be out of compliance with any applicable provision of rule 661—550.3(103) when inspected.

661—550.9(103) Report of inspection. After the completion of an inspection, the inspector will issue an inspection report indicating the results of the inspection and provide any necessary notice to the utility providing electrical service pursuant to Iowa Code section 103.28. The results of the inspection may be any of the following:

550.9(1) *Approval.* If the inspector finds that the installation is in compliance with applicable requirements, the inspector will issue a report indicating that the installation is approved.

550.9(2) *Order of correction.* If the inspector finds that the installation is not in compliance with applicable requirements but does not present an imminent threat to the health or safety of any person, the inspector will issue an order of correction, prescribing a time frame during which corrective action shall be taken by the licensee responsible for the installation to bring the installation fully into compliance.

550.9(3) *Order of disconnection.* If the inspector finds that the installation is not in compliance with applicable requirements and presents an imminent threat to the health or safety of any person, the inspector will issue an order of disconnection, requiring that the installation be disconnected until corrective action has brought the installation into full compliance with applicable requirements. The installation shall not be reconnected until the corrected installation has been approved by an inspector as in compliance with all applicable requirements. The inspector issuing an order of disconnection will notify the utility providing electrical service to the location of the order and will notify the utility when the order of disconnection is no longer effective.

661—550.10(103) Appeals. An order of correction or an order of disconnection may be appealed. However, an order of disconnection shall be complied with immediately and the installation not reconnected pending the outcome of the appeal.

550.10(1) A person who has received an order of correction or disconnection may request an informal appeal to the chief electrical inspector within 14 days of receiving the order by contacting the electrical inspection section by telephone, email or mail. The informal appeal may be heard in any manner agreed to by the person filing the appeal and the chief electrical inspector. If the order is upheld by the chief electrical inspector, the person receiving the order may file a formal appeal pursuant to 661—subrule 552.5(2).

550.10(2) A person who has received an order of correction or disconnection may file a request for a formal appeal to the board within 30 days of receiving the order or, if the person has filed a request for an informal appeal, within 30 days of having been notified that the chief electrical inspector has upheld the order. Formal appeals will be processed as provided in 481—Chapter 506, except that "electrical examining board" is substituted therein as appropriate.

661—550.11(103) Civil penalty. Any person who commences an electrical installation subject to inspection pursuant to Iowa Code chapter 103 and who fails to file a Request for Permit and Inspection form within 14 days of notification as prescribed by Iowa Code section 103.25 may be subject to a civil penalty. The amount of the civil penalty will not exceed $750 as determined by the board. Notice will be provided by certified mail to any person on whom a civil penalty is imposed.

661—550.12(103) Civil penalty—appeal. Any person on whom a civil penalty has been imposed may appeal the imposition of the civil penalty to the board within 14 days of the date on which notice of the civil penalty was mailed by notifying the board in writing that the person wishes to appeal the civil penalty. An appeal of a civil penalty is to be subject to the provisions of 481—Chapter 506, which apply to contested cases, except that "electrical examining board" is substituted therein as appropriate.

These rules are intended to implement Iowa Code chapter 103.