

REVENUE DEPARTMENT[701]

Regulatory Analysis

Notice of Intended Action to be published: 701—Chapter 116
“Reassessment Expense Fund”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 421.14
State or federal law(s) implemented by the rulemaking: Iowa Code section 421.30

Public Hearing

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

November 18, 2026
2 to 3 p.m.

Via videoconference call:
meet.google.com/egs-ucjg-frv

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Revenue 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

The purpose of this proposed rulemaking is to rescind and readopt Chapter 116, which explains how to apply for and receive a loan from the Reassessment Expense Fund. The Department proposes revisions to remove portions of the rules that the Department determined are obsolete, unnecessary, or duplicative of statutory language as required by Executive Order 10. Further, the Department proposes updates to the chapter to add clarity and better organization to aid the public’s understanding of the Reassessment Expense Fund.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

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

The proposed rulemaking does not create costs for any classes of persons.

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

Members of local conference boards will benefit from a greater understanding of how to apply for a loan from the Reassessment Expense Fund.

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:**

There is no economic impact associated with this rulemaking beyond what is contained in statute.

- **Qualitative description of impact:**

The qualitative benefit of this rulemaking beyond what is already provided in statute is the value of having a clear understanding of the Reassessment Expense Fund.

3. **Costs to the State:**

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

There are no costs to the State beyond what is already required to administer the relevant statutes.

- **Anticipated effect on State revenues:**

A greater understanding of the Reassessment Expense Fund will ensure that only the proper number of loans from the fund will be awarded.

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

The benefits of having a chapter on the Reassessment Expense Fund is to ensure correct and consistent application when it comes to granting loans from the fund. There are no costs associated with this rulemaking.

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

This rulemaking is not costly or intrusive.

6. **Alternative methods considered by the agency:**

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

The Department did not consider any alternative methods.

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

Failing to have this chapter would lead to confusion regarding the application of the Reassessment Expense Fund. This chapter only contains two rules and they were updated to remove outdated language.

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?

There is no substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 701—Chapter 116 and adopt the following **new** chapter in lieu thereof:

CHAPTER 116
REASSESSMENT EXPENSE FUND

701—116.1(421) Application for loan. Applications for loans from the reassessment expense fund may be made by a conference board established under Iowa Code section 441.2. The application shall be submitted to the director. Applications shall contain the following information:

116.1(1) A statement of any unencumbered balance in the assessment expense fund, the amount of funds available to the assessor in any other fund, and the maximum amount of revenue that could be raised for the assessor's office.

116.1(2) A detailed statement as to how moneys obtained from the reassessment expense fund will be expended, such statement to be itemized to indicate specific expenditures for personnel, supplies and materials, mileage, public information, and payment for any work performed under contract with a professional appraisal firm.

116.1(3) A copy of the assessing jurisdiction's most recent budget as approved by the department of management.

116.1(4) A copy of any proposed contract with a professional appraisal company.

This rule is intended to implement Iowa Code section 421.30.

701—116.2(421) Criteria for granting loan. In determining whether to grant a loan from the reassessment expense fund and the amount of any loan, the director will consider the following factors:

116.2(1) The amount of moneys presently on hand and not encumbered or intended for another purpose.

116.2(2) The reasonableness and accuracy of the jurisdiction's statement as to how the funds are to be expended, giving special attention as to whether such funds will be expended in such a manner as to ensure compliance with the reassessment order.

116.2(3) The capability of the jurisdiction to repay the loan within the time period specified in Iowa Code section 421.30.

This rule is intended to implement Iowa Code section 421.30.