Regulatory Analysis

Notice of Intended Action to be published: 193E—subrule 8.1(3)
"Closing a Real Estate Business"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 543.18
State or federal law(s) implemented by the rulemaking: Iowa Code chapters 17A and 544B

Public Hearing

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

December 5, 2024	6200 Park Avenue
3:30 to 4 p.m.	Des Moines, Iowa

Information on virtual participation will be available on the Department of Inspections, Appeals, and Licensing's website prior to the hearing.

Public Comment

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

Ashley Thompson
Iowa Department of Inspections, Appeals, and Licensing
6200 Park Avenue, Suite 100
Des Moines, Iowa 50321
Phone: 515.725.9028
Email: ashley.thompson@dia.iowa.gov

Purpose and Summary

This proposed rulemaking implements 2024 Iowa Acts, Senate File 2291. The proposed amendment is intended to update verbiage to be consecutive with verbiage changes in other chapters.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

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

No class of persons is affected by the amendment.

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

No class of persons is affected by the amendment.

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 quantitative impact.

- **Qualitative description of impact:**

There is no qualitative impact.

3. **Costs to the State:**

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

There are no costs to the State.

- **Anticipated effect on state revenues:**

There are no anticipated effects on state revenue.

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

There are no costs or benefits as a result of the proposed amendment.

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

There are no less costly methods to consider.

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

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

There were not any alternative methods considered.

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

There were not any alternative methods considered. Rulemaking is required to bring the Real Estate Commission into compliance with Senate File 2291.

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 impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend subrule 8.1(3) as follows:

8.1(3) Notifies all ~~listing and management~~ clients as well as parties and co-brokers to existing contracts, in writing, advising of the date the firm will close. All ~~listing and management~~ clients are advised in writing that they may enter into a new ~~listing~~ brokerage or management agreement with the broker of their choice;