

**17A.4A Regulatory analysis.**

1. An agency shall issue a regulatory analysis of a proposed rule that complies with [subsection 2](#), paragraphs “a” and “b”, prior to submitting a notice of intended action to the administrative rules coordinator and the administrative code editor pursuant to [section 17A.4, subsection 1](#), paragraph “a”.

2. a. The regulatory analysis must contain all of the following:

(1) A description of the classes of persons who probably will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule.

(2) A description of the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons, including a description of the nature and amount of all of the different kinds of costs that would be incurred in complying with the proposed rule.

(3) The probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

(4) A comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

(5) A determination of whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule.

(6) A description of any alternative methods for achieving the purpose of the proposed rule that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule.

b. In the case of a rule that would have a substantial impact on small business, the regulatory analysis must contain a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rule on small business:

(1) Establish less stringent compliance or reporting requirements in the rule for small business.

(2) Establish less stringent schedules or deadlines in the rule for compliance or reporting requirements for small business.

(3) Consolidate or simplify the rule’s compliance or reporting requirements for small business.

(4) Establish performance standards to replace design or operational standards in the rule for small business.

(5) Exempt small business from any or all requirements of the rule.

c. The agency shall reduce the impact of a proposed rule that would have a substantial impact on small business by using a method discussed in paragraph “b” if the agency finds that the method is legal and feasible in meeting the statutory objectives which are the basis of the proposed rule.

3. Each regulatory analysis must include quantifications of the data to the extent practicable and must take account of both short-term and long-term consequences.

4. The agency shall submit the regulatory analysis to the administrative code editor, who shall publish it in the Iowa administrative bulletin. The regulatory analysis shall include a statement of either the terms or substance of the agency’s intended action or a description of the subjects and issues involved. The agency shall afford all interested persons not less than twenty days to submit data, views, or arguments in writing, and the regulatory analysis shall include the time when, the place where, and the manner in which interested persons may do so. The agency shall give interested persons an opportunity to make oral presentation on the regulatory analysis. The opportunity for oral presentation shall be held at least twenty days after publication of its time and place in the Iowa administrative bulletin.

5. The agency shall not submit a notice of intended action to the administrative rules coordinator and the administrative code editor pursuant to [section 17A.4, subsection 1](#), paragraph “a”, for a proposed rule until the conclusion of the opportunity for oral presentation required by [subsection 4](#). In the case of a rule adopted without prior notice and an opportunity for public participation in reliance upon [section 17A.4, subsection 3](#), the agency shall have until seventy days after the adoption to submit a regulatory analysis as

described in [subsection 4](#) for publication in the Iowa administrative bulletin. If a rule adopted in reliance upon [section 17A.4, subsection 3](#), will be published in the Iowa administrative bulletin concurrently with a corresponding notice of intended action, a separate regulatory analysis for the notice of intended action is not required.

6. If the agency has made a good-faith effort to comply with the requirements of [subsections 1 through 3](#), the rule may not be invalidated on the ground that the contents of the regulatory analysis are insufficient or inaccurate.

7. *a.* For the purpose of [this section](#), “*small business*” means any entity including but not limited to an individual, partnership, corporation, joint venture, association, or cooperative, to which all of the following apply:

(1) It is not an affiliate or subsidiary of an entity dominant in its field of operation.

(2) It has either twenty or fewer full-time equivalent positions or less than one million dollars in annual gross revenues in the preceding fiscal year.

*b.* For purposes of this definition, “*dominant in its field of operation*” means having more than twenty full-time equivalent positions and more than one million dollars in annual gross revenues, and “*affiliate or subsidiary of an entity dominant in its field of operation*” means an entity which is at least twenty percent owned by an entity dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of an entity dominant in that field of operation.

[98 Acts, ch 1202, §10, 46; 2008 Acts, ch 1031, §81; 2021 Acts, ch 76, §7; 2024 Acts, ch 1169, §5 – 8](#)

Referred to in [§17A.33](#)