

Senate File 229 - Introduced

SENATE FILE 229

BY MCKINLEY

A BILL FOR

1 An Act relating to the review of administrative rules for their
2 impact on small business.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.106, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 8A. Analyze each notice of intended action
4 or rule filed without notice which may have a substantial
5 impact on small business and submit its analysis and findings
6 on that impact as required by section 17A.4, subsection 4A.

7 Sec. 2. Section 17A.4, Code 2011, is amended by adding the
8 following new subsection:

9 NEW SUBSECTION. 4A. Any notice of intended action or
10 rule filed without notice pursuant to subsection 2, which may
11 have a substantial impact on small business, as defined in
12 section 17A.4A, subsection 8, shall summarize that impact in
13 the preamble of the notice of intended action or the preamble
14 of a rule filed without notice. In addition, the agency shall
15 notify the department of economic development of this intended
16 action or rule and its possible impact on small business.
17 The department of economic development shall analyze the
18 rulemaking and determine whether the impact on small business
19 is substantial, adverse, and whether any feasible alternatives
20 exist to reduce the impact. The department shall submit its
21 analysis and findings to the administrative rules coordinator,
22 the administrative rules review committee, and the agency. A
23 rule which is the subject of the notice of intended action
24 shall not be adopted until the analysis has been completed.
25 For a rule filed without notice, the analysis must be submitted
26 within seventy days of the publication of the rule.

27 Sec. 3. Section 17A.4A, subsection 1, Code 2011, is amended
28 to read as follows:

29 1. An agency shall issue a regulatory analysis of a proposed
30 rule that complies with subsection 2, paragraph "a", if, within
31 thirty-two days after the published notice of proposed rule
32 adoption, a written request for the analysis is submitted
33 to the agency by the administrative rules review committee
34 or the administrative rules coordinator. An agency shall
35 issue a regulatory analysis of a proposed rule that complies

1 with subsection 2, paragraph "b", if the rule would have a
 2 substantial impact on small business and if, within thirty-two
 3 days after the published notice of proposed rule adoption, a
 4 written request for analysis is submitted to the agency by the
 5 administrative rules review committee, the administrative rules
 6 coordinator, the department of economic development, at least
 7 twenty-five persons signing that request who each qualify as
 8 a small business, or by an organization representing at least
 9 twenty-five such persons. If a rule has been adopted without
 10 prior notice and an opportunity for public participation in
 11 reliance upon section 17A.4, subsection 3, the written request
 12 for an analysis that complies with subsection 2, paragraph "a"
 13 or "b", may be made within seventy days of publication of the
 14 rule.

15 Sec. 4. Section 17A.33, Code 2011, is amended to read as
 16 follows:

17 **17A.33 Review by administrative rules review committee.**

18 The administrative rules review committee shall review
 19 existing rules, as time permits, to determine if there are
 20 adverse or beneficial effects from these rules. The committee
 21 shall ~~give a high priority to~~ review rules that are referred to
 22 it by small business as defined in section 17A.4A, and rules
 23 identified by the department of economic development as having
 24 a substantial and adverse impact on small business. The review
 25 of these rules shall be forwarded to the appropriate standing
 26 committees of the house and senate.

27 EXPLANATION

28 This bill requires any new rule having a substantial impact
 29 on small business to indicate that fact in the preamble of
 30 the filing and requires the agency promulgating the rule to
 31 notify the department of economic development. The department
 32 is then required to analyze this impact and determine whether
 33 any feasible alternatives exist to reduce that impact. This
 34 analysis is to be provided to the administrative rules
 35 coordinator, the administrative rules review committee, and the

S.F. 229

1 agency. The bill also authorizes the department of economic
2 development to demand an agency to issue a small business
3 regulatory flexibility analysis and requires the administrative
4 rules review committee to review new rules identified as having
5 a substantial and adverse impact on small business.