## Senate Study Bill 3119 - Introduced

SENATE/HOUSE FILE \_\_\_\_\_ BY (PROPOSED GOVERNOR BILL)

## A BILL FOR

- 1 An Act concerning the executive branch rulemaking process and
- 2 other agency functions and related matters.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S.F. H.F.

1 DIVISION I 2 RULEMAKING AND RELATED MATTERS Section 1. Section 2B.5A, subsection 4, Code 2024, is 3 4 amended by striking the subsection. 5 Sec. 2. Section 8A.206, subsection 2, paragraph b, Code 6 2024, is amended to read as follows: b. Maintain, as an integral part of the law library, reports 7 8 of various boards and agencies, copies of journals of the 9 senate and house of representatives; electronic access to 10 bills, journals, and other information relating to current or ll proposed legislation, copies of; and electronic access to the 12 Iowa administrative bulletin and Iowa administrative code and, 13 consistent with section 17A.6, subsection 3, copies of any 14 publications incorporated by reference in the bulletin or code. 15 Sec. 3. Section 10A.506, subsection 10, Code 2024, is 16 amended by striking the subsection. Section 17A.3, subsection 1, paragraphs a, b, and c, 17 Sec. 4. 18 Code 2024, are amended by striking the paragraphs. 19 Sec. 5. Section 17A.4, subsection 1, unnumbered paragraph 20 1, Code 2024, is amended to read as follows: 21 Prior to the adoption, amendment, or repeal of any rule an 22 agency shall submit the proposed rulemaking for preclearance to 23 the administrative rules coordinator in the manner prescribed 24 by the administrative rules coordinator and do all of the 25 following: 26 Sec. 6. Section 17A.4, subsection 3, paragraph a, Code 2024, 27 is amended to read as follows: a. When the statute so provides, or with the approval of 28 29 the administrative rules review committee, if the committee 30 finds good cause that notice and public participation would be 31 unnecessary, impracticable, or contrary to the public interest, 32 the provisions of subsection 1 shall be inapplicable. However, 33 the requirement for prior submission to the administrative 34 rules coordinator for preclearance shall remain applicable. 35 Sec. 7. Section 17A.4A, subsections 1 and 5, Code 2024, are

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1 amended to read as follows:

2 1. An agency shall issue a regulatory analysis of a proposed 3 rule that complies with subsection 2, paragraph paragraphs 4 "a" and "b", if, within thirty-two days after the published 5 notice of proposed rule adoption, a written request for the 6 analysis is submitted to the agency by the administrative rules 7 review committee or the administrative rules coordinator. An 8 agency shall issue a regulatory analysis of a proposed rule 9 that complies with subsection 2, paragraph "b", if the rule 10 would have a substantial impact on small business and if, 11 within thirty-two days after the published notice of proposed 12 rule adoption, a written request for analysis is submitted to 13 the agency by the administrative rules review committee, the 14 administrative rules coordinator, at least twenty-five persons 15 signing that request who each qualify as a small business or 16 by an organization representing at least twenty-five such 17 persons. If a rule has been adopted without prior notice and 18 an opportunity for public participation in reliance upon prior 19 to submitting a notice of intended action to the administrative 20 rules coordinator and the administrative code editor pursuant 21 to section 17A.4, subsection 3 1, the written request for an 22 analysis that complies with subsection 2, paragraph a'' or  $b''_r$ 23 may be made within seventy days of publication of the rule. 24 5. The agency shall not submit a notice of intended action 25 to the administrative rules coordinator and the administrative 26 code editor pursuant to section 17A.4, subsection 1, paragraph 27 "a", for a proposed rule until the conclusion of the opportunity 28 for oral presentation required by subsection 4 and preclearance 29 by the administrative rules coordinator as required by section 30 17A.4, subsection 1. In the case of a rule adopted without 31 prior notice and an opportunity for public participation in 32 reliance upon section 17A.4, subsection 3, the summary must 33 be published within agency shall have until seventy days of 34 after the request adoption to submit a regulatory analysis 35 as described in subsection 4 for publication in the Iowa

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1 administrative bulletin. If a rule adopted in reliance upon 2 section 17A.4, subsection 3, will be published in the Iowa 3 administrative bulletin concurrently with a corresponding 4 notice of intended action, a separate regulatory analysis for 5 the notice of intended action is not required. 6 Sec. 8. Section 17A.4A, subsection 2, paragraph a, 7 unnumbered paragraph 1, Code 2024, is amended to read as 8 follows: 9 Except to the extent that a written request for a regulatory 10 analysis expressly waives one or more of the following, the The 11 regulatory analysis must contain all of the following: 12 Sec. 9. Section 17A.4A, subsection 4, Code 2024, is amended 13 by striking the subsection and inserting in lieu thereof the 14 following: 15 4. The agency shall submit the regulatory analysis to the 16 administrative code editor, who shall publish it in the Iowa 17 administrative bulletin. The regulatory analysis shall include 18 a statement of either the terms or substance of the agency's 19 intended action or a description of the subjects and issues The agency shall afford all interested persons not 20 involved. 21 less than twenty days to submit data, views, or arguments in 22 writing, and the regulatory analysis shall include the time 23 when, the place where, and the manner in which interested 24 persons may do so. The agency shall give interested persons 25 an opportunity to make oral presentation on the regulatory The opportunity for oral presentation shall be held 26 analysis. 27 at least twenty days after publication of its time and place in 28 the Iowa administrative bulletin. 29 Sec. 10. Section 17A.4A, subsection 6, Code 2024, is amended

30 by striking the subsection.
31 Sec. 11. Section 17A.6, subsection 3, Code 2024, is amended

32 to read as follows:

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3. An agency that adopts standards by reference to
34 another publication shall deliver a printed copy of post
35 the publication, or the relevant part of the publication,

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1 containing the standards to the administrative code editor who 2 shall deposit the copy in the state law library which shall 3 make it available for inspection and reference on the agency's 4 internet site. The agency may instead deposit a printed copy 5 of the publication, or the relevant part of the publication, in 6 the state law library directly An agency shall not post a link 7 for this purpose to an internet site that is not maintained by 8 the agency. If a posted publication or part of a publication 9 varies from the publication or part adopted by reference as 10 described in subsection 5, the adoption by reference described 11 in subsection 5 shall control. This subsection does not apply 12 to a publication that is a federal statute or regulation. 13 Sec. 12. Section 17A.7, subsection 2, Code 2024, is amended 14 to read as follows: 2. Beginning July January 1, 2012 2027, over each five-year 15 16 period of time, an each agency shall conduct an ongoing and 17 comprehensive review of all of the agency's rules. The goal of 18 the review is the identification and elimination of all rules 19 of the agency that are outdated, redundant, or inconsistent or 20 incompatible with statute or its own rules or those of other 21 agencies. An Over each five-year period of time, an agency 22 shall commence its review by developing a plan of review in 23 consultation with major stakeholders and constituent groups 24 perform a retrospective analysis that includes a comprehensive 25 evaluation and rigorous cost-benefit analysis of each existing 26 chapter of rules to determine whether the benefits the rules 27 are intended to achieve are being realized, whether those 28 benefits justify the costs imposed by the rules, and whether 29 there are less restrictive alternatives to accomplish those 30 benefits. When the agency completes the five-year review of 31 the agency's own rules, the agency shall provide a written 32 summary of the results to the administrative rules coordinator 33 and the administrative rules review committee. The summary 34 shall include all of the following for each chapter of rules: The intended benefits of the rules and if the benefits 35 a.

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1 are being achieved.

2 b. The costs imposed by the rules and if the costs are
3 justified by the benefits identified in paragraph "a".
4 c. Less restrictive alternatives to the rules and an
5 analysis of how other states regulate the activities addressed
6 by the chapter.

7 Sec. 13. Section 17A.7, Code 2024, is amended by adding the 8 following new subsection:

9 NEW SUBSECTION. 3. a. Each chapter of rules is rescinded 10 five years after the date on which the chapter as a whole 11 became effective. A chapter rescinded in this manner ceases 12 to be effective as of the date of rescission. Before or after 13 such rescission occurs, the agency that adopted the chapter 14 may adopt the chapter anew after completing a retrospective 15 analysis as described in subsection 2. Such adoption shall be 16 subject to this chapter. An agency adopting a chapter anew 17 as described in this subsection shall do so from a zero base. 18 Adoption of a chapter anew as described in this subsection 19 shall not include notation in a rulemaking document published 20 in the Iowa administrative bulletin of additions to or 21 deletions from the language of the prior chapter. For purposes 22 of this subsection, "zero base" means adoption of a chapter 23 anew without merely adopting the prior language of the chapter 24 and without any presumption in favor of utilizing the prior 25 language when the chapter is adopted anew.

b. The effective date of adoption, amendment, or rescission
of individual rules or portions of rules in a chapter, and the
date of any changes to the chapter or rules or portions of
rules in the chapter pursuant to section 2B.13, shall not be
considered when determining the effective date of the chapter
as a whole for purposes of this subsection. The date of
rescission of a chapter under paragraph "a" shall not be altered
if such date falls on a Saturday, Sunday, or holiday.
c. (1) If a chapter has been rescinded under this

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the administrative code editor in writing of the rescission.
 The administrative rules coordinator may notify the
 administrative code editor in writing on behalf of the agency.

4 (2) As soon as practicable after receiving such 5 notification, the administrative code editor shall publish 6 notice of the rescission in the Iowa administrative bulletin 7 and, no sooner than two weeks after such publication, remove 8 the chapter from the Iowa administrative code.

9 d. When a chapter of rules becoming effective as a whole is 10 published in the Iowa administrative code, the administrative 11 code editor shall include the next rescission date of the 12 chapter, as provided in this subsection, with the chapter. e. For a chapter of rules that most recently became 13 14 effective as a whole prior to January 1, 2023, the effective 15 date of the chapter shall be deemed January 1, 2023, for 16 purposes of this subsection. For a chapter that most recently 17 became effective as a whole on or after January 1, 2023, the 18 date of rescission pursuant to this subsection shall be based 19 on the most recent effective date of the chapter as a whole. 20 Sec. 14. Section 17A.19, subsection 10, paragraphs b, c, l, 21 and m, Code 2024, are amended to read as follows: b. Beyond the authority explicitly delegated to the agency 22 23 by any provision of law or in violation of any provision of 24 law.

с. 25 Based upon an erroneous interpretation of a provision of 26 law whose interpretation has not clearly explicitly been vested 27 by a provision of law in the discretion of the agency. 1. Based upon an irrational, illogical, or wholly 28 29 unjustifiable interpretation of a provision of law whose 30 interpretation has clearly explicitly been vested by a 31 provision of law in the discretion of the agency. m. 32 Based upon an irrational, illogical, or wholly 33 unjustifiable application of law to fact that has clearly 34 explicitly been vested by a provision of law in the discretion 35 of the agency.

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1 Sec. 15. Section 17A.19, subsection 11, paragraphs a, b, and 2 c, Code 2024, are amended to read as follows:

*a.* Shall not give any deference to the view of the agency
4 with respect to whether particular matters have been <u>explicitly</u>
5 vested by a provision of law in the discretion of the agency. *b.* Should not give any deference to the view of the
7 agency with respect to particular matters that have not been

8 <u>explicitly</u> vested by a provision of law in the discretion of 9 the agency.

10 c. Shall give appropriate deference to the view of the 11 agency with respect to particular matters that have been 12 <u>explicitly</u> vested by a provision of law in the discretion of 13 the agency.

14 Sec. 16. Section 17A.23, subsections 3 and 4, Code 2024, are 15 amended to read as follows:

16 3. <u>a.</u> An agency shall have only that authority or 17 discretion <u>explicitly</u> delegated to or <u>explicitly</u> conferred 18 upon the agency by law and shall not expand or enlarge its 19 authority or discretion beyond the powers <u>explicitly</u> delegated 20 to or <u>explicitly</u> conferred upon the agency. Unless otherwise 21 <del>specifically</del> <u>explicitly</u> provided in statute, a grant of 22 rulemaking authority shall be construed narrowly.

23 <u>b.</u> Rulemaking authority is explicitly delegated to or
24 explicitly conferred on an agency as follows:

(1) An agency may adopt rules interpreting the provisions of any statute enforced or administered by the agency if a statute explicitly grants the agency rulemaking authority over the statutory provision; however, a rule is not valid if the rule exceeds the bounds of correct interpretation. All of the following apply to the adoption of a rule interpreting the provisions of a statute enforced or administered by an agency: (a) A statutory or nonstatutory provision containing a statement or declaration of legislative intent, purpose, findings, or policy does not delegate rulemaking authority to

35 or confer rulemaking authority on the agency, or augment the

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1 agency's rulemaking authority, beyond the rulemaking authority 2 that is explicitly delegated to or explicitly conferred on the 3 agency by a statute. (b) A statutory provision describing the agency's general 4 5 powers or duties does not delegate rulemaking authority to 6 or confer rulemaking authority on the agency, or augment the 7 agency's rulemaking authority, beyond the rulemaking authority 8 that is explicitly delegated to or explicitly conferred on the 9 agency by a statute. (c) A statutory provision containing a specific standard, 10 11 requirement, or threshold does not delegate to or confer on the 12 agency the authority to adopt, enforce, or administer a rule 13 that contains a standard, requirement, or threshold that is 14 more restrictive than the standard, requirement, or threshold 15 contained in the statutory provision. 16 (2) An agency may prescribe forms and procedures in 17 connection with any statute enforced or administered by the 18 agency if the agency considers such prescription necessary to 19 effectuate the purpose of the statute, but this subparagraph 20 does not authorize the imposition of a substantive requirement 21 in connection with a form or procedure. 22 (3) An agency authorized to exercise discretion in deciding 23 individual cases may formalize the general policies evolving 24 from the agency's decisions by adopting the general policies 25 as rules that the agency shall follow until such rules are 26 amended or repealed. A rule adopted in accordance with this 27 subparagraph is valid only to the extent that the agency 28 has discretion to base an individual decision on the policy 29 expressed in the rule. (4) An agency may adopt rules implementing or interpreting 30 31 a statute that the agency will enforce or administer after 32 enactment of the statute but prior to the statute's effective 33 date. A rule adopted under this subparagraph shall not take 34 effect prior to the effective date of the statute that the rule 35 implements or interprets.

4. An agency shall not implement or enforce any standard,
 requirement, or threshold, including any term or condition of a
 permit or license issued by the agency, unless that standard,
 requirement, or threshold is clearly explicitly required or
 clearly explicitly permitted by a state statute, rule adopted
 pursuant to this chapter, or a federal statute or regulation,
 or is explicitly required by a court ruling, a state or federal
 executive order, a state or federal directive that would result
 in the gain or loss of specific funding, or a federal waiver.
 Sec. 17. <u>NEW SECTION</u>. 17A.24 Uniform rules on agency

1. The administrative rules coordinator may adopt uniform
 13 rules on agency procedure that are suitable for general
 14 applicability to agencies. Such adoption and such rules
 15 shall be subject to this chapter. Such rules may address the
 16 subjects of agency procedures for rulemaking, petitions for
 17 rulemaking, waiver of rules, declaratory orders, contested
 18 cases, and fair information practices.

19 2. If an agency does not have rules in effect that address 20 a subject provided in subsection 1, and uniform rules on agency 21 procedure addressing the subject are in effect, such uniform 22 rules shall apply to the agency as though the agency had 23 adopted them.

An agency may adopt rules providing for additions,
 exceptions, or amendments to a uniform rule on agency procedure
 that, pursuant to subsection 2, is applicable to the agency.
 This section does not apply to uniform rules on agency
 procedure published prior to January 1, 2024, and does not
 affect the validity of rules that have adopted such uniform
 rules by reference.

31 5. The attorney general shall assist the administrative 32 rules coordinator in implementation of this section upon 33 request.

34 Sec. 18. Section 89.5, subsection 3, Code 2024, is amended 35 by striking the subsection.

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Sec. 19. Section 89A.3, subsection 5, Code 2024, is amended 1 2 by striking the subsection. Sec. 20. Section 455B.173, subsection 2, Code 2024, is 3 4 amended by adding the following new paragraph: NEW PARAGRAPH. c. Rules adopted to implement this 5 6 subsection are not subject to section 17A.7, subsection 2 or 3. Sec. 21. Section 543D.5, subsection 5, Code 2024, is amended 7 8 to read as follows: 9 5. Notwithstanding any provision to the contrary, the 10 provisions in section 10A.506, subsections 6 through 9, 11, and 11 12, shall apply to the board and to activities governed under 12 this chapter. 13 DIVISION II 14 EXECUTIVE BRANCH AGENCY FUNCTIONS 15 Sec. 22. Section 7D.29, subsection 2, paragraph b, Code 16 2024, is amended to read as follows: The notification requirement specified in paragraph "a" 17 b. 18 is not applicable to a request for the expenditure of disaster 19 aid from the contingent fund created in section 29C.20 or 20 to a request for the expenditure of disaster aid individual 21 assistance grant funds pursuant to section 29C.20A. 22 Sec. 23. Section 29A.27, subsection 6, paragraph a, Code 23 2024, is amended to read as follows: 24 a. All payments provided for under this section shall 25 be paid on the approval of the adjutant general from the 26 contingent fund of the executive council department created in 27 section 29C.20. Section 29C.20, subsection 1, paragraph a, 28 Sec. 24. 29 unnumbered paragraph 1, Code 2024, is amended to read as 30 follows: A contingent fund is created in the state treasury for the 31 32 use of the executive council department. Funding for the 33 contingent fund, if authorized by the executive council, shall 34 be paid from the appropriations addressed in section 7D.29. 35 Moneys in the contingent fund may be expended for the following

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1 purposes:

2 Sec. 25. Section 29C.20, subsection 1, paragraph a, 3 subparagraph (6), subparagraph division (b), Code 2024, is 4 amended to read as follows:

5 (b) Upon application by a governmental subdivision in 6 such an area, accompanied by a showing of obligations and 7 expenditures necessitated by an actual or potential disaster 8 in a form and with further information the executive council 9 department requires, the aid may be made in the discretion of 10 the executive council department and, if made, shall be in the 11 nature of a loan up to a limit of seventy-five percent of the 12 showing of obligations and expenditures. The loan, without 13 interest, shall be repaid by the maximum annual emergency 14 levy authorized by section 24.6, or by the appropriate levy 15 authorized for a governmental subdivision not covered by 16 section 24.6. The aggregate total of loans shall not exceed 17 one million dollars during a fiscal year. A loan shall not be 18 for an obligation or expenditure occurring more than two years 19 previous to the application.

20 Sec. 26. Section 29C.20, subsection 1, paragraph b, Code 21 2024, is amended to read as follows:

b. When a state department or agency requests that moneys from the contingent fund be expended to repair, rebuild, or restore state property injured, destroyed, or lost by fire, storm, theft, or unavoidable cause, or to repair, rebuild, or restore state property that is fiberoptic cable and that is injured or destroyed by a wild animal, or to purchase a police service dog for the department of corrections when such a dog is injured or destroyed, or for payment of the expenses incurred by and claims of a homeland security and emergency response team when acting under the authority of section 29C.8, the executive council department shall consider the original source of the funds for acquisition of the property before authorizing the expenditure. If the original source was other than the general fund of the state, the department or agency

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1 shall be directed to utilize moneys from the original source if 2 possible. The executive council department shall not authorize 3 the repairing, rebuilding, or restoring of the property from 4 the disaster aid contingent fund if it determines that moneys 5 from the original source are available to finance the project. 6 Sec. 27. Section 29C.20, subsections 2, 3, 4, and 5, Code 7 2024, are amended to read as follows:

8 2. The proceeds of such loan shall be applied toward the 9 payment of costs and obligations necessitated by such actual or 10 potential disaster and the reimbursement of local funds from 11 which such expenditures have been made. Any such project for 12 repair, rebuilding, or restoration of state property for which 13 no specific appropriation has been made, shall, before work is 14 begun, be subject to approval or rejection by the executive 15 council department.

3. If the president of the United States, at the request of the governor, has declared a major disaster to exist in this state, the <u>executive council</u> <u>department</u> may make financial grants to meet disaster-related necessary expenses, serious needs, or hazard mitigation projects of local governments and eligible private nonprofit agencies adversely affected by the major disaster if those expenses or needs cannot otherwise be ant from other means of assistance. The amount of the grant shall not exceed ten percent of the total eligible expenses and is conditional upon the federal government providing at least seventy-five percent for public assistance grants and at least fifty percent for hazard mitigation grants of the eligible expenses.

4. If the president, at the request of the governor, has declared a major disaster to exist in this state, the executive council department may make financial grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by a major disaster which cannot otherwise adequately be met from other means of assistance. The amount of a financial grant shall not

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1 exceed the maximum federal authorization in the aggregate to 2 an individual or family in any single major disaster declared 3 by the president. All grants authorized to individuals and 4 families will be subject to the federal government providing 5 no less than seventy-five percent of each grant and the 6 declaration of a major disaster in the state by the president 7 of the United States.

8 5. If the president, at the request of the governor, has 9 declared a major disaster to exist in this state, the executive 10 council department may lease or purchase sites and develop 11 such sites to accommodate temporary housing units for disaster 12 victims.

13 Sec. 28. Section 103.31, subsection 6, Code 2024, is amended 14 to read as follows:

The board shall establish an internet-based licensure 15 6. 16 verification database for access by a state or local inspector 17 for verification of licensee status. The database shall 18 include the name of every person licensed under this chapter 19 and a corresponding licensure number. However, the licensee's 20 home address, home telephone number, and other personal 21 information as determined by rule shall be confidential. 22 Inspectors shall be authorized to request the name and 23 license number of any person working at a job site subject to 24 inspection for verification of licensee status. Licensees 25 under this chapter shall be required to carry a copy of their 26 current license and photo identification at all times when 27 employed on a job site for compliance with this subsection. Sec. 29. Section 105.20, subsection 5, paragraph a, Code 28 29 2024, is amended to read as follows:

30 *a.* The board shall establish continuing education 31 requirements pursuant to section 272C.2. The basic continuing 32 education requirement for renewal of a license shall be the 33 completion, during the immediately preceding license term, of 34 the number of classroom hours of instruction required by the 35 board in courses or seminars which have been approved by the

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1 board. The board shall require at least eight classroom hours 2 of instruction during each three-year licensing term. Sec. 30. Section 256.7, subsection 6, Code 2024, is amended 3 4 to read as follows: 6. Hear appeals of persons aggrieved by decisions of boards 5 6 of directors of school corporations under chapter 290 and 7 other appeals prescribed by law in a manner consistent with 8 chapter 17A. The state board may review the record and shall 9 review the proposed decision of the director of the department 10 of education or the administrative law judge employed by 11 the division of administrative hearings created by section 12 10A.801 and designated for any appeals heard and decided by 13 the director under chapter 290 pursuant to section 17A.15, 14 subsection 3, and may affirm, modify, or vacate the decision, 15 or may direct a rehearing before the director. 16 Sec. 31. Section 272C.1, subsection 6, Code 2024, is amended 17 by adding the following new paragraph: 18 NEW PARAGRAPH. aq. The real estate appraiser examining 19 board, created pursuant to chapter 543D. 20 Sec. 32. Section 272C.2, subsection 1, Code 2024, is amended 21 to read as follows: 1. Each licensing board shall may require and issue rules 22 23 for continuing education requirements as a condition to license 24 renewal. 25 Sec. 33. Section 272C.2, subsection 2, unnumbered paragraph 26 1, Code 2024, is amended to read as follows: The rules shall may create continuing education requirements 27 28 at a minimum level prescribed by each licensing board. These 29 boards may also establish continuing education programs 30 to assist a licensee in meeting such continuing education 31 requirements. Such If adopted, such rules shall also: Sec. 34. Section 290.5, Code 2024, is amended to read as 32 33 follows: 34 290.5 Decision of state board — rules for appeals. The decision of the state board shall be final. The state 35

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1 board may adopt rules of procedure for hearing appeals which 2 shall include the power to delegate the actual hearing of 3 the appeal to the director of the department of education or 4 the director's designee, and members of the director's staff 5 designated by the director. The record of appeal so heard 6 shall be available to the state board, and, if required by 7 section 256.7, subsection 6, the decision recommended by the 8 director of the department of education or the designated 9 administrative law judge shall be approved by the state board 10 in the manner provided in section 256.7, subsection 6 therein. Sec. 35. Section 450.6, subsection 2, Code 2024, is amended 11 12 by striking the subsection. 13 Sec. 36. Section 455B.133, subsections 1 and 2, Code 2024, 14 are amended to read as follows: 15 1. Develop comprehensive plans and programs for the 16 abatement, control, and prevention of air pollution in this 17 state, recognizing varying requirements for different areas 18 in the state. The plans may include emission limitations, 19 schedules and timetables for compliance with the limitations, 20 measures to prevent the significant deterioration of air 21 quality and other measures as necessary to assure attainment 22 and maintenance of ambient air quality standards. The 23 commission is not required to use air dispersion modeling as 24 a basis for making its findings under this subsection for a 25 minor source or minor modification of a major stationary source 26 unless modeling is specifically provided for under the federal 27 Clean Air Act as amended through January 1, 1991, rules adopted 28 under this chapter, or a federal or state agreement. 29 2. Adopt, amend, or repeal rules pertaining to the 30 evaluation, abatement, control, and prevention of air 31 pollution. The rules may include those that are necessary 32 to obtain approval of the state implementation plan under 33 section 110 of the federal Clean Air Act as amended through 34 January 1, 1991. The commission is not required to adopt rules 35 that use air dispersion modeling for a minor source or minor

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1 modification of a major stationary source unless modeling is 2 specifically required by the federal Clean Air Act as amended 3 through January 1, 1991, or a federal or state agreement. 4 Sec. 37. Section 455B.134, subsection 3, Code 2024, is 5 amended by adding the following new paragraph: NEW PARAGRAPH. q. The department is not required to use 6 7 air dispersion modeling as a basis for making its findings 8 under this subsection for a minor source or minor modification 9 of a major stationary source unless modeling is specifically 10 provided for under the federal Clean Air Act as amended through 11 January 1, 1991, rules adopted under this chapter, or a federal 12 or state agreement. 13 Sec. 38. Section 509A.5, subsection 2, Code 2024, is amended 14 to read as follows: 15 2. Any interest earnings from investments or time deposits 16 of the funds under the control of the state executive council 17 department of administrative services shall be deposited to the 18 credit of these funds. 19 Sec. 39. Section 509A.11, subsection 1, Code 2024, is 20 amended to read as follows: 1. "Governing body" means the executive council of the state 21 22 director of the department of administrative services, the 23 school boards of school districts, and the superintendent or 24 other person in charge of an institution supported in whole or 25 in part by public funds. 26 Sec. 40. Section 543D.7, Code 2024, is amended to read as 27 follows: 28 543D.7 Certification process. 29 Applications for original certification, renewal 30 certification, and examinations shall be made in writing to the 31 board on forms approved by through the board board's electronic 32 system. 33 Sec. 41. Section 543D.9, Code 2024, is amended to read as 34 follows: 543D.9 Education and experience requirement. 35

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1 The board shall determine what real estate appraisal or 2 real estate appraisal review experience and what education 3 shall be required to provide appropriate assurance that 4 an applicant for certification is competent to perform the 5 certified appraisal work which is within the scope of practice 6 defined by the board. All experience required for initial 7 certification shall be performed as a registered associate 8 real estate appraiser acting under the direct supervision of 9 a certified real estate appraiser who meets the supervisory 10 requirements established by applicable federal authorities or 11 federal law, rule, or policy in effect at the time the hours 12 of experience are claimed, except as the board may provide by 13 rule. Subject to requirements or limitations established by 14 applicable federal authorities or federal law, rule, or policy, 15 hours qualifying for experience in a bordering state will 16 be considered qualifying hours for experience in this state 17 without requiring a waiver or authorization from the board in 18 accordance with rules and standards adopted by the board, as 19 long as a majority of qualifying hours are completed in this 20 state. Qualifying hours completed in a bordering state shall 21 be under the direct supervision of a certified real estate 22 appraiser with active certification in that bordering state. 23 The board shall prescribe a required minimum number of tested 24 hours of education relating to the provisions of this chapter, 25 the uniform appraisal standards, and other rules issued in 26 accordance with this chapter.

27 Sec. 42. Section 543D.13, Code 2024, is amended to read as 28 follows:

29 543D.13 Principal place of business.

30 1. Each certified real estate appraiser shall advise the 31 board of the address of the appraiser's principal place of 32 business and all other addresses at which the appraiser is 33 currently engaged in the business of preparing real estate 34 appraisal reports.

35 2. When a certified real estate appraiser changes the

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1 appraiser's principal place of business, the appraiser 2 shall immediately give written notification of the submit an 3 application for a change to the board and apply for an amended 4 certificate of address through the board's electronic system. Each certified real estate appraiser shall notify the 5 3. 6 board of the appraiser's current residence address. Residence 7 addresses on file with the board are exempt from disclosure as 8 public records unless the residence address is the address of 9 the appraiser's principal place of business. 10 Section 543D.14, Code 2024, is amended to read as Sec. 43. 11 follows: 12 543D.14 Certificate. 13 A certificate issued under this chapter shall bear the 14 signature or facsimile signature name of the member or names 15 of the members of the board as designated by the board and a 16 certificate number assigned by the board. Section 543D.16, subsections 2 and 3, Code 2024, 17 Sec. 44. 18 are amended to read as follows: The basic continuing education requirement for renewal 19 2. 20 of certification shall be the completion, before June 30 of 21 the year in which the appraiser's certificate expires, of 22 the number of hours of instruction required by the appraiser 23 gualifications board of the appraisal foundation in courses or 24 seminars which have received the preapproval of the board. 25 3. The provisions of section 272C.2, subsection 4, shall 26 only apply to a certified real estate appraiser or an associate 27 real estate appraiser to the extent consistent with the 28 policies adopted by the appraisal appraiser qualifications 29 board of the appraisal foundation. Sec. 45. Section 543D.20, subsection 1, paragraph c, Code 30 31 2024, is amended to read as follows: c. The person is solely providing administrative services, 32 33 such as taking photographs, preparing charts, or typing 34 reports, and is not providing real estate appraisal assistance 35 in developing the analysis, valuation, opinions, or conclusions

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1 associated with the appraisal assignment. Such a person shall 2 only enter a dwelling if supervised by the appraiser. Sec. 46. Section 543D.20, subsection 2, Code 2024, is 3 4 amended to read as follows: 5 2. The board shall establish by rule the terms and 6 conditions of the registration of associate real estate 7 appraisers, including the educational and other prerequisites 8 to registration, the fees for registration and the renewal 9 of registration, and the continuing education requirements 10 for renewal of registration. The board shall consider and 11 may incorporate any guidelines recommended by the appraisal 12 appraiser qualifications board of the appraisal foundation 13 relating to associate real estate appraisers. Sec. 47. Section 543D.22, subsection 1, paragraph a, Code 14 15 2024, is amended to read as follows: Subject to paragraphs b'' and c'', the board may require 16 a. 17 a national criminal history check through the federal bureau of 18 investigation for applicants for certification or registration, 19 or for persons certified or registered under this chapter, 20 if needed for credibility, to comply with federal law or 21 regulation, or the policies of the appraisal qualification 22 appraiser qualifications board of the appraisal foundation. 23 The board may alternatively require a national criminal 24 history check through the nationwide mortgage licensing system 25 and registry, as defined in section 535D.3, when conducting 26 background investigations under this section, if authorized by 27 applicable federal law or regulation. Sec. 48. Section 668A.1, subsection 2, paragraph b, Code 28 29 2024, is amended to read as follows: If the answer or finding pursuant to subsection 1, 30 b. 31 paragraph "b'', is negative, and if the claim is not against 32 any physician and surgeon, osteopathic physician and surgeon, 33 dentist, podiatric physician, optometrist, pharmacist, 34 chiropractor, physician assistant, or nurse, licensed under 35 chapter 147, or a hospital licensed under chapter 135B,

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1 arising out of patient care, and if the claim is not part of 2 a civil action involving the operation of a commercial motor 3 vehicle, then after payment of all applicable costs and fees, 4 an amount not to exceed twenty-five percent of the punitive or 5 exemplary damages awarded may be ordered paid to the claimant, 6 with the remainder of the award to be ordered paid into a 7 civil reparations trust fund administered by the state court 8 administrator. Funds placed in the civil reparations trust 9 shall be under the control and supervision of the executive 10 council equally distributed each fiscal year to the department 11 of health and human services and the department of insurance 12 and financial services, and shall be disbursed only for 13 purposes of indigent civil litigation programs or insurance 14 assistance programs.

15

## EXPLANATION

16The inclusion of this explanation does not constitute agreement with17the explanation's substance by the members of the general assembly.

18 This bill concerns the executive branch rulemaking process 19 and other agency functions and related matters.

20 DIVISION I — EXECUTIVE BRANCH RULEMAKING AND RELATED 21 MATTERS.

PRECLEARANCE OF RULEMAKING. The division requires that agencies submit proposed rulemaking to the administrative rules coordinator for preclearance in the manner prescribed by the administrative rules coordinator before the rulemaking is submitted for publication in the Iowa administrative bulletin (bulletin) as a notice of intended action. This requirement also applies to rules adopted without prior notice and an opportunity for public participation (emergency rules).

30 REGULATORY ANALYSIS OF RULES. The division modifies 31 procedures and requirements for regulatory analyses of proposed 32 rules under Code section 17A.4A. The division requires that 33 agencies issue regulatory analyses of all proposed rules, 34 rather than upon request of specified entities as required 35 under current law. The division requires that before a notice

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1 of intended action is published in the bulletin, the agency 2 shall submit a regulatory analysis of the content of the notice 3 for publication in the bulletin. The regulatory analysis must 4 include a statement of either the terms or substance of the 5 agency's intended action or a description of the subjects and 6 issues involved. The regulatory analysis must also provide 7 20 days for interested persons to submit data, views, or 8 arguments in writing and give interested persons an opportunity 9 to make oral presentation that is held at least 20 days after 10 publication of the time and place in the bulletin.

An agency shall not submit a notice of intended action 11 12 for publication in the bulletin until the conclusion of the 13 opportunity for oral presentation and preclearance by the 14 administrative rules coordinator. In the case of an emergency 15 rule, the agency shall have until 70 days after the adoption to 16 submit a regulatory analysis for publication in the bulletin. 17 If an emergency rule will be published in the bulletin 18 concurrently with a corresponding notice of intended action, a 19 separate regulatory analysis for the notice is not required. 20 MATERIALS IN STATE LAW LIBRARY — ADOPTIONS BY REFERENCE. 21 The division strikes a requirement that printed copies of 22 publications containing standards adopted by reference by 23 agencies, other than federal statutes and regulations, be 24 deposited in the state law library. The division instead 25 requires an agency to post such materials on the agency's 26 internet site. The division prohibits posting a link for 27 this purpose to an internet site that is not maintained by 28 the agency. If a posted publication or part of a publication 29 varies from the publication or part as adopted by reference by 30 an agency under current law, the adoption by reference shall 31 control, rather than the post by the agency.

32 The division additionally provides that the state law 33 library shall maintain electronic access to the Iowa 34 administrative bulletin, Iowa administrative code, bills, and 35 other information relating to current or proposed legislation,

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1 rather than paper copies of such materials as required by
2 current law.

FIVE-YEAR REVIEW AND RESCISSION OF RULES. The division 3 4 modifies the ongoing five-year review of rules required under 5 Code section 17A.7, subsection 2. The division changes the 6 beginning of the review period from July 1 to January 1. The 7 division requires that the review include a retrospective 8 analysis that includes a comprehensive evaluation and rigorous 9 cost-benefit analysis of each existing chapter of rules as 10 specified in the division. The division specifies content that 11 must be included in review summaries, which relates to costs, 12 benefits, and less restrictive alternatives to the rules. The 13 division strikes a requirement that agencies commence the 14 review by developing a plan of review in consultation with 15 major stakeholders and constituent groups.

The division establishes a process for ongoing rescission of 16 17 rules in the Iowa administrative code. The division provides 18 that each chapter of rules is rescinded five years after the 19 date on which the chapter as a whole became effective. A 20 chapter rescinded in this manner ceases to be effective as 21 of the date of rescission. Before or after the rescission, 22 the agency that adopted the chapter may adopt the chapter 23 anew after completing a retrospective analysis as described 24 in the division. An agency adopting a chapter anew shall 25 do so from a zero base, which is defined as adoption of a 26 chapter anew without merely adopting the prior language of the 27 chapter and without any presumption in favor of utilizing the 28 prior language when the chapter is adopted anew. Adoption 29 of a chapter anew shall not include notation in a rulemaking 30 document published in the bulletin of additions to or deletions 31 from the language of the prior chapter.

32 The division provides that the effective date of adoption, 33 amendment, or rescission of individual rules or portions of 34 rules in a chapter shall not be considered when determining the 35 effective date of the chapter as a whole for purposes of the

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1 ongoing rescission process.

2 If a chapter has been rescinded under this process, the 3 agency that adopted the chapter shall notify the administrative 4 code editor in writing of the rescission. The administrative 5 rules coordinator may notify the administrative code editor in 6 writing on behalf of the agency. As soon as practicable after 7 receiving such notification, the administrative code editor 8 shall publish notice of the rescission in the bulletin and, 9 no sooner than two weeks after such publication, remove the 10 chapter from the Iowa administrative code. When a chapter of ll rules becoming effective as a whole is published in the Iowa 12 administrative code, the division requires the administrative 13 code editor to include the next rescission date of the chapter. For a chapter of rules that most recently became effective 14 15 as a whole prior to January 1, 2023, the effective date of the 16 chapter shall be deemed January 1, 2023, for purposes of the 17 ongoing rescission process. For a chapter that most recently 18 became effective as a whole on or after January 1, 2023, the 19 date of rescission shall be based on the most recent effective 20 date of the chapter as a whole.

The division exempts certain rules adopted by the 21 22 environmental protection commission relating to water quality 23 standards, pretreatment standards, and effluent standards from 24 the ongoing five-year rules review and rescission processes. DELEGATION OF AUTHORITY TO AGENCIES. 25 The division provides 26 standards for agency rulemaking authority. Rulemaking 27 authority is explicitly delegated to or explicitly conferred on 28 an agency as provided in the division. The division provides 29 that an agency may adopt rules interpreting the provisions 30 of any statute enforced or administered by the agency if a 31 statute explicitly grants the agency rulemaking authority over 32 the statutory provision, but a rule is not valid if the rule 33 exceeds the bounds of correct interpretation. The division 34 provides standards for adoption of a rule interpreting the 35 provisions of a statute enforced or administered by an agency.

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1 The division provides that a statutory or nonstatutory 2 provision containing a statement or declaration of legislative 3 intent, purpose, findings, or policy does not delegate 4 rulemaking authority to or confer rulemaking authority on an 5 agency, or augment the agency's rulemaking authority, beyond 6 the rulemaking authority that is explicitly delegated to or 7 explicitly conferred on the agency by a statute.

8 The division provides that a statutory provision describing 9 an agency's general powers or duties does not delegate 10 rulemaking authority to or confer rulemaking authority on the 11 agency, or augment the agency's rulemaking authority, beyond 12 the rulemaking authority that is explicitly delegated to or 13 explicitly conferred on the agency by a statute.

14 The division provides that a statutory provision containing 15 a specific standard, requirement, or threshold does not 16 delegate to or confer on an agency the authority to adopt, 17 enforce, or administer a rule that contains a standard, 18 requirement, or threshold that is more restrictive than the 19 standard, requirement, or threshold contained in the statutory 20 provision.

The division authorizes an agency to prescribe forms and procedures in connection with any statute enforced or administered by the agency if the agency considers it necessary to effectuate the purpose of the statute, but this provision before authorize the imposition of a substantive requirement of in connection with a form or procedure.

The division provides that an agency authorized to exercise discretion in deciding individual cases may formalize the general policies evolving from its decisions by adopting the oplicies as rules that the agency shall follow until such rules are amended or repealed. A rule adopted in this manner is valid only to the extent that the agency has discretion to base an individual decision on the policy expressed in the rule. The division authorizes an agency to adopt rules implementing or interpreting a statute that it will enforce

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1 or administer after enactment of the statute but prior to the 2 statute's effective date. Such a rule shall not take effect 3 prior to the effective date of the statute that it implements 4 or interprets.

5 The division modifies various references in Code chapter 17A 6 to delegations of authority to agencies and judicial review 7 thereof to specify that such delegations are only valid if the 8 delegation is explicit.

9 The division strikes language requiring agencies to adopt 10 rules providing a description of the organization of the 11 agency, the methods by which and location where the public 12 may obtain information or make submissions or requests, and 13 related matters; rules of practice setting forth the nature and 14 requirements of all formal and informal procedures available 15 to the public; and rules embodying appropriate standards, 16 principles, and procedural safeguards that the agency will 17 apply to the law it administers.

UNIFORM RULES ON AGENCY PROCEDURE. The division authorizes the administrative rules coordinator to adopt uniform rules on agency procedure that are suitable for general applicability to agencies. Such adoption and such rules shall be subject to Code chapter 17A. Such rules may address the subjects of agency procedures for rulemaking, petitions for rulemaking, waiver of rules, declaratory orders, contested cases, and fair information practices.

If an agency does not have rules in effect that address these subjects, and uniform rules on agency procedure addressing the subject are in effect, such uniform rules shall apply to the agency as though the agency had adopted them. The division authorizes an agency to adopt rules providing for additions, exceptions, or amendments to a uniform rule on agency procedure applicable to the agency.

33 The portions of the division addressing uniform rules on 34 agency procedure do not apply to uniform rules on agency 35 procedure published prior to January 1, 2024, and do not

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1 affect the validity of rules that have adopted such uniform 2 rules by reference. Uniform rules on agency procedure were 3 originally published in 1985 and updates were published in 4 1999. The division requires the attorney general to assist 5 the administrative rules coordinator in implementation of the 6 uniform rules on agency procedure as provided in the division 7 upon request.

8 DIVISION II - EXECUTIVE BRANCH AGENCY FUNCTIONS.

DUTIES OF EXECUTIVE COUNCIL. The division modifies 9 10 various duties carried out by the executive council. Duties 11 relating to the contingent fund for disaster aid shall 12 instead be carried out by the department of homeland security 13 and emergency management. For purposes of group insurance 14 for state employees, the director of the department of 15 administrative services is designated as a governing body under 16 Code chapter 509A rather than the executive council. Funds in 17 the civil reparations trust fund shall be equally distributed 18 each fiscal year to the department of health and human services 19 and the department of insurance and financial services rather 20 than under the control and supervision of the executive 21 council. The division strikes a provision authorizing the tax 22 liability of a beneficiary, heir, surviving joint tenant, or 23 other transferee to be paid in whole or in part by the transfer 24 of real property or tangible personal property to the state 25 or a political subdivision of the state to be used for public 26 purposes upon the approval of the executive council. 27 APPEALS TO STATE BOARD OF EDUCATION. The division provides

28 that administrative appeals heard by the state board of 29 education shall be heard in a manner consistent with Code 30 chapter 17A, including that the state board will only review 31 a proposed decision by the director of the department of 32 education or an administrative law judge on the board's own 33 motion or if the decision is appealed.

34 ELECTRICAL EXAMINING BOARD — CONFIDENTIALITY OF LICENSEE
 35 PERSONAL INFORMATION. The division provides that the home

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address, home telephone number, and other personal information,
 as determined by rule, of licensees of the electrical examining
 board shall be confidential for purposes of the board's
 licensure verification database.

5 LICENSING BOARDS — CONTINUING EDUCATION. The division 6 strikes a requirement that licensing boards subject to Code 7 chapter 272C require and issue rules for continuing education 8 requirements as a condition to license renewal. The division 9 makes such rulemaking discretionary.

10 DIRECTOR OF THE DEPARTMENT OF NATURAL RESOURCES — 11 ENVIRONMENTAL PROTECTION COMMISSION — AIR QUALITY — AIR 12 DISPERSION MODELING. For purposes of plans, programs, and 13 rules of the environmental protection commission relating to 14 the evaluation, abatement, control, and prevention of air 15 pollution, and permits for the construction or operation of 16 new, modified, or existing air contaminant sources and for 17 related control equipment, the division provides that the 18 commission is not required to use air dispersion modeling 19 unless modeling is specifically provided for under the federal 20 Clean Air Act as amended through January 1, 1991, rules adopted 21 by the commission, or a federal or state agreement.

22 REAL ESTATE APPRAISER EXAMINING BOARD FUNCTIONS. The 23 division specifies that the real estate appraiser examining 24 board is a licensing board for purposes of Code chapter 272C, 25 relating to regulation of licensed professions and occupations. 26 The division modifies various requirements relating to 27 regulation of real estate appraisers by the board under Code 28 chapter 543D.

The division provides that specified matters required to be carried out in writing shall be carried out through the board's electronic system.

32 The division strikes a requirement that a majority of 33 qualifying hours be completed in Iowa for purposes of hours of 34 qualifying experience in a bordering state for certification 35 as a real estate appraiser that will be considered qualifying

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1 hours for experience in Iowa without requiring a waiver or 2 authorization from the board.

3 The division strikes a requirement that a certified real 4 estate appraiser advise the board of addresses at which the 5 appraiser is currently engaged in the business of preparing 6 real estate appraisal reports other than the appraiser's 7 principal place of business.

8 The division provides that a certified real estate 9 appraiser's residence address is not exempt from disclosure as 10 a public record if the residence address is the address of the 11 appraiser's principal place of business.

12 The division strikes a requirement that a certificate 13 issued under Code chapter 543D bear the signature or facsimile 14 signature of the member or members of the board and instead 15 provides that a certificate need only include the name of the 16 member or members.

17 The division specifies that the number of hours of 18 instruction that satisfy the basic continuing education 19 requirement for renewal of a real estate appraiser 20 certification is the number of hours required by the appraiser 21 qualifications board of the appraisal foundation rather than 22 the real estate appraiser examining board.

The division provides that a person who assists a certified real estate appraiser in the development or reporting of an appraisal assignment that is required to be performed by a certified real estate appraiser by providing administrative services, and not providing real estate appraisal assistance, shall only enter a dwelling if supervised by the appraiser.

29 The division corrects erroneous references to the name of 30 the appraiser qualifications board of the appraisal foundation.

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