

House File 36 - Introduced

HOUSE FILE 36
BY GUSTOFF

A BILL FOR

1 An Act relating to interpretation of law in administrative and
2 judicial proceedings under the Iowa administrative procedure
3 Act.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 17A.19, subsection 10, paragraph c, Code
2 2025, is amended to read as follows:

3 c. Based upon an erroneous interpretation of a provision
4 of law ~~whose interpretation has not clearly been vested by a~~
5 ~~provision of law in the discretion of the agency.~~

6 Sec. 2. Section 17A.19, subsection 10, paragraph 1, Code
7 2025, is amended by striking the paragraph.

8 Sec. 3. Section 17A.19, subsection 11, Code 2025, is amended
9 by striking the subsection.

10 Sec. 4. Section 17A.23, Code 2025, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 5. Notwithstanding any provision of the Code
13 to the contrary, a court, or a presiding officer in a contested
14 case or other administrative action subject to this chapter,
15 when interpreting a state statute or a rule or other agency
16 document subject to this chapter, shall not defer to an agency's
17 interpretation of the statute, rule, or document, and must
18 instead interpret its meaning and effect de novo. In an action
19 brought by or against an agency, the court or officer, after
20 applying all customary tools of interpretation, must exercise
21 any remaining doubt in favor of a reasonable interpretation that
22 limits agency authority.

23 **EXPLANATION**

24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.

26 This bill concerns the interpretation of law in administrative
27 and judicial proceedings under Code chapter 17A, the Iowa
28 administrative procedure Act.

29 Under current law, a court must reverse, modify, or grant
30 other appropriate relief from agency action in specified
31 circumstances if it determines that substantial rights of the
32 person seeking relief have been prejudiced. Such circumstances
33 include agency action based upon an irrational, illogical, or
34 wholly unjustifiable interpretation of a provision of law whose
35 interpretation has clearly been vested by a provision of law

1 in the discretion of the agency. If interpretation of the
2 provision of law has not been clearly vested in the discretion
3 of the agency, the standard of review is instead whether the
4 agency's interpretation is erroneous. Current law also provides
5 standards for a court regarding the determination of the degree
6 of deference to be given to the view of an agency, based on
7 whether a provision of law has vested the agency with discretion
8 over the matter in question. The bill strikes these provisions
9 and instead provides that a court must reverse, modify, or
10 grant other appropriate relief from agency action based upon an
11 erroneous interpretation of a provision of law.

12 The bill additionally prohibits a court, or a presiding
13 officer in a contested case or other administrative action
14 subject to Code chapter 17A, when interpreting a state statute or
15 a rule or other agency document subject to Code chapter 17A, from
16 deferring to an agency's interpretation of the statute, rule,
17 or document; the bill instead requires the court or officer to
18 interpret its meaning and effect de novo. The bill requires the
19 court or officer, in an action brought by or against an agency,
20 after applying all customary tools of interpretation, to exercise
21 any remaining doubt in favor of a reasonable interpretation that
22 limits agency authority.