

MANAGEMENT DEPARTMENT[541]

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 541—Chapter 16
“Suspension and Reinstatement of State Funds”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 27B
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 27B

Public Hearing

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

October 18, 2023
9 a.m.

State Capitol, Room G14
1007 East Grand Avenue
Des Moines, Iowa

Public Comment

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

Gloria Van Rees
Department of Management
State Capitol, Room G13
1007 East Grand Avenue
Des Moines, Iowa 50319
Email: gloria.vanrees@iowa.gov

Purpose and Summary

The current Chapter 16 establishes procedure and guidelines to deny state funds to a local entity intentionally violating the provisions of Iowa Code chapter 27B and how to reinstate eligibility funds when a local entity comes into compliance. The Department proposes to rescind Chapter 16 and intends to transfer applicable language to Chapter 13 in the Regulatory Analysis for that chapter (IAB 9/20/23). The two chapters are similar, and it is more straightforward to include all sanctuary city language in a single chapter.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

- Classes of persons that will bear the costs of the proposed rulemaking:
Costs to local entities are incurred as a result of noncompliance with the Iowa code.
- Classes of persons that will benefit from the proposed rulemaking:

There are no classes of persons that will benefit from the proposed rulemaking. Iowa Code chapter 27B requires the suspension of funds to local entities in violation of the law.

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:

The existing Chapter 16 being rescinded in this rulemaking creates the method to withhold funding for local entities who do not abide by Iowa Code chapters 27A and 27B.

- Qualitative description of impact:

There is no cost to the state incurred by having the proposed rulemaking. The impetus for the proposed rulemaking and compliance of Iowa Code chapter 27A lie with local government entities.

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:
There are no implementation or enforcement costs borne by the agency or any other agency.
- Anticipated effect on state revenues:
There is no anticipated effect on state revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:
There are no costs related to the rulemaking because the only costs are related to the underlying statute.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:
Less costly or intrusive methods do not exist for achieving the purpose of the proposed rulemaking.

6. Alternative methods considered by the agency:
- Description of any alternative methods that were seriously considered by the agency:
No alternative methods were seriously considered by the agency.
 - Reasons why alternative methods were rejected in favor of the proposed rulemaking:
The language in Chapter 13 is being expanded to include language from Chapter 16 to ultimately rescind Chapter 16.

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 substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind and reserve **541—Chapter 16**.