

MANAGEMENT DEPARTMENT[541]

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 541—Chapter 1
“Organization and Operation”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 8.6 and 25.1
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 8

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

Purpose and Summary

The proposed chapter describes the organization of the Department for the public, including coordination of policy planning, reports, program development, and interagency programs.

Analysis of Impact

1. Persons affected by the proposed rulemaking:
 - Classes of persons that will bear the costs of the proposed rulemaking:
Iowa citizens will bear a \$5 fee to file a state appeal board claim as laid out in subrule 1.5(1).
 - Classes of persons that will benefit from the proposed rulemaking:
Iowa citizens will benefit from the proposed rulemaking.
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:
Organization allows for coordinating analysis of government budgets within the state.
 - Qualitative description of impact:
The Department holds government budgets to account statewide.
3. Costs to the State:
 - Implementation and enforcement costs borne by the agency or any other agency:
There is no cost to the agency, other than that which is expected to come with standard budget compliance.
 - Anticipated effect on state revenues:
Department organization allows for accountable budgeting throughout the state.
4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

Department organization is vital to executing the Department's mandate to hold government budgets accountable throughout the state.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

There are no less costly methods or less intrusive methods for achieving the purpose of the proposed rulemaking. Minimal costs are already incurred for the organization of the Department.

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. Organization is vital to performing the services of the Department.

- Reasons why alternative methods were rejected in favor of the proposed rulemaking:

There were no alternative methods seriously considered by the agency.

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?

The Department deals more closely with government entities throughout the state, with minimal interaction with small businesses.

Text of Proposed Rulemaking

ITEM 1. Rescind 541—Chapter 1 and adopt the following new chapter in lieu thereof:

CHAPTER 1 ORGANIZATION AND OPERATION

541—1.1(8) Purpose. This chapter describes the organization and operation of the department of management (department), including the coordination of policy planning, management of interagency programs, economic reports and program development.

541—1.2(8) Scope of the rules. The rules for the department are promulgated under Iowa Code chapter 8 and apply to all matters before the department. No rule, in any way, relieves a person affected by or subject to these rules, or any person affected by or subject to the rules promulgated by the various divisions of the department, from any duty under the laws of this state.

541—1.3(8) Waiver. The purpose of these rules is to facilitate the business before the department and to promote a just resolution of controversies. Consistent with this purpose, the application of any of these rules, unless otherwise provided for by law, may be waived by the department to prevent undue hardship to a party, to a departmental proceeding, or to a person transacting business with the department. The reasons for granting a waiver of an administrative rule stated in writing will be a part of the record of the proceeding or a part of the departmental file in other matters.

541—1.4(8) Duties of the department. The department plans, develops, and recommends policy decisions for management of state government; administers local budget laws (cities, counties, and schools); oversees and ensures compliance with affirmative action; implements policies through coordination and budget processes; and monitors and

evaluates the consistent, efficient, and effective operation of state government. The department consists of budgeting, planning, and early childhood operations and the following agencies or boards: state appeal board, city finance committee, county finance committee, and early childhood Iowa state board.

541—1.5(8) Definitions.

“*City budget*” means the budget adopted by city officials that incorporates specified requirements as stated in Iowa Code section 384.16.

“*Contract compliance director*” means the individual designated to oversee and impose sanctions in connection with state programs emphasizing equal opportunity through affirmative action, contract compliance, policies, and procurement set-aside requirements.

“*County budget*” means the budget adopted by the board of supervisors pursuant to Iowa Code chapter 331.

“*Department*” means the department of management.

“*Director*” means the director of the department of management as appointed by the governor and subject to senate confirmation.

1.5(1) *State appeal board—fees.* The state appeal board considers the protests of local government budgets, as well as all general and tort claims against the state, as interpreted by the three members: treasurer of state, auditor of state and director of the department of management. Department of management staff implement proper procedures as directed by the state appeal board as assigned by Iowa Code chapter 24. The processing fee for filing a general claim with the state appeal board is \$5, which is billed and paid quarterly by the state agency which incurred the liability of the claim. This fee is not reimbursable from the vendor to the state agency.

1.5(2) *City finance committee.* The city finance committee promulgates rules relating to city budget amendments, establishes guidelines for the capital improvement program, reviews and comments on city budgets and conducts studies of municipal revenues and expenditures as specified in Iowa Code section 384.13.

1.5(3) *County finance committee.* The county finance committee establishes guidelines for program budgeting and accounting, reviews and comments on county budgets, and conducts studies of county revenues and expenditures. In addition, the committee performs other duties as assigned by law pursuant to Iowa Code section 333A.4.

541—1.6(8) Central office and communications. Correspondence and communications with the department, state board of appeals, county finance committee, or city finance committee are to be addressed or directed to the department’s office located at Department of Management, State Capitol Room 13, 1007 East Grand Avenue, Des Moines, Iowa 50319-0015; telephone 515.281.3322.

These rules are intended to implement Iowa Code sections 8.6 and 25.1.