

Regulatory Analysis Template

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Agency Name Environmental Protection Commission / Natural Resources Rule # 567-11

Iowa Code Section Authorizing Rule 427.1(19)(d)

State or Federal Law(s) Implemented by the Rule 427.1(19)

Public Hearing

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

Date/Time: 9/26/2023 1:00 pm

Location: Google Meet <https://meet.google.com/gar-xeni-bpq?authuser=0&hs=122> and Conference Room 5 West, Wallace State Office Building, 502 East 9th Street, Des Moines Iowa

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 no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Contact Name

Amie Davidson

Address

502 E. 9th Street, Des Moines, IA 50319

Email and/or phone number

Amie.Davidson@dnr.iowa.gov

Purpose and summary of proposed rule:

Chapter 11 establishes and clarifies the process and eligibility criteria for properties to obtain a pollution control or recycling certification from the DNR. This certification allows the owner to apply for a property tax exemption through their local county assessor's office. The requirement for the property owner to request and DNR to review and issue/deny a certification request is required by Iowa Code section 427.1. The review process ensures the tax benefit is only benefiting pollution control and recycling property consistent with the law.

Analysis of Impact of Proposed Rule

1. Persons affected by the proposed rule
 - Classes of persons that will bear the costs of the proposed rule:

Owners of pollution control and recycling property who elect to seek a property tax exemption.

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- Classes of persons that will benefit from the proposed rule:

Owners of pollution control and recycling property who elect to seek a property tax exemption.

Impact of the proposed rule, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred

- Quantitative description of impact:

Costs to owners to comply with the rule is limited to the time required to complete the application form. It is anticipated it would be a de minimis cost. Additionally, certification will result in a tax benefit so it is in the owner's best interest to bear these costs.

- Qualitative description of impact:

The value of that tax benefit will vary depending on the property type and location.

2. Costs to the state

- Implementation and enforcement costs borne by the agency or any other agency:

The costs are minimal and are solely in staff time. Staff are able to review certification applications in approximately one hour. All involved staff have other assigned duties.

- Anticipated effect on state revenues:

This is a minimal cost to state revenues. No fee is charged for the request for certification. Additionally, while the chapter has been edited for length and clarity consistent with EO10, the underlying legal framework is status quo.

3. Comparison of the costs and benefits of the proposed rule to the costs and benefits of inaction

This chapter is required by law. Iowa Code section 427.1 directs the DNR to promulgate rules on certification. So long as that statute is in place, these rules must exist.

4. Determination if less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule

No less costly methods were identified. The rules closely align with the statutory directives.

5. Alternative methods considered by the agency

- Description of any alternative methods that were seriously considered by the agency:

No alternatives were identified. The rules closely align with the statutory directives.

- Reasons why they were rejected in favor of the proposed rule:

NA

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Small Business Impact

If the rule 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 rule on small business:

- Establish less stringent compliance or reporting requirements in the rule for small business.
- Establish less stringent schedules or deadlines in the rule for compliance or reporting requirements for small business.
- Consolidate or simplify the rule's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rule for small business.
- Exempt small business from any or all requirements of the rule.

If legal and feasible, how does the rule use a method discussed above to reduce the substantial impact on small business?

Chapter 11 provides a benefit to property owners, to include small business, by establishing a process to ultimately receive a tax benefit.

Text of Proposed Rule:

SEE ATTACHMENT