

## Red Tape Review Rule Report (Due: September 1, 20 23 )

<b>Department Name:</b>	Department of Insurance and Financial Services	<b>Date:</b>	8/31/2023	<b>Total Rule Count:</b>	8
<b>IAC #:</b>	181	<b>Chapter/ SubChapter/ Rule(s):</b>	1	<b>Iowa Code Section Authorizing Rule:</b>	CH.546
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

**What is the intended benefit of the rule?**

This chapter provides the organizational structure for the Department of Insurance and Financial Services. The Department proposes removing duplicative language and updating the Department’s organizational structure.

**Is the benefit being achieved? Please provide evidence.**

Yes. This rule making is proposed under the authority provided in 2023 Iowa Acts, Senate File 514 regarding realignment and pursuant to Executive Order 10.

**What are the costs incurred by the public to comply with the rule?**

There are no known costs.

**What are the costs to the agency or any other agency to implement/enforce the rule?**

There are no known costs.

**Do the costs justify the benefits achieved? Please explain.**

Yes. The proposed rules update the organizational structure and eliminate redundant and repetitive language.

**Are there less restrictive alternatives to accomplish the benefit?  YES  NO**

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

The Department did not find any less restrictive alternatives. Alternative methods were considered and incorporated by adoption of the uniform agency rules for petitions for rule making.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

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181—1.4  
181—1.5  
181—1.6

**RULES PROPOSED FOR REPEAL (list rule number[s]):**

None.

**RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):**

The following rulemaking action proposed:  
ITEM 1. Amend **181—Chapter 1** as follows:

CHAPTER 1  
ORGANIZATION AND OPERATION

**181—1.1(546,17A) Purpose.** This chapter describes the organization and operation of the department of ~~commerce~~insurance and financial services (the “department”).

**181—1.2(546,17A) Scope of rules.** The rules for the department of ~~commerce~~insurance and financial services are promulgated under Iowa Code chapters 17A and 546 and shall apply to all matters before the department. No rule shall, in any way, relieve 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.

**181—1.3(546,17A) Waiver.** Rescinded ARC 2650C, IAB 8/3/16, effective 9/7/16.

**181—1.4(546,17A) Duties of the department.** The ~~commerce~~insurance and financial services department administers and coordinates the various regulatory, service, and licensing functions of the state relating to the conducting of business or commerce in the state. The department consists of the following divisions: banking, credit union, utilities,~~and~~ insurance,~~and alcoholic beverages.~~

**1.4(1) *Banking division.*** The banking division regulates and supervises state banks, regulated loan companies, industrial loan companies, mortgage bankers, mortgage brokers, real estate closing agents, debt management companies, money services companies, and delayed deposit service businesses and performs other duties assigned to it by law. ~~In addition, as provided in Iowa Code section 546.10, the division administers and coordinates the activities of the following professional licensing boards: the engineering and land surveying examining board, the Iowa accountancy examining board, the real estate commission, the architectural examining board, the landscape architectural examining board, the real estate appraiser examining board, and the interior design examining board.~~

**1.4(2) *Credit union division.*** The credit union division regulates and supervises the operation of credit unions within the state; the credit union review board performs duties assigned to it by Iowa Code chapter 533.

~~**1.4(3) *Utilities division.*** The utilities division regulates and supervises certain public utilities which operate within the state, and enforces or administers the laws promulgated under Iowa Code chapters 476, 476A, 476B, 476C, 477A, 477C, 478, 479, 479A and 479B. The division performs other duties assigned to it by law.~~

**1.4(43) *Insurance division.*** The insurance division regulates and supervises the conduct of the business of insurance within the state, and enforces the laws promulgated under Title ~~XXXIII~~, and Iowa Code chapters 502, 502A~~503~~, 505, ~~to~~505A through 523A, 523C, 523D, and 523I. The division performs other duties assigned to it by law.

~~1.4(5) Alcoholic beverages division. The alcoholic beverages division supervises and regulates all matters relating to alcoholic beverages within the state, and enforces the laws promulgated under Iowa Code chapter 123.~~

**181—1.5(546,17A) Definitions.**

~~“Administrator of alcoholic beverages” means the chief executive officer of the alcoholic beverages division of the department of commerce.~~

~~“Administrator of professional licensing and regulation” means the superintendent of banking.~~

~~“Administrator” means the commissioner of insurance, the superintendent of banking, or the superintendent of credit unions.~~

~~“Commissioner of insurance” means the chief executive officer of the insurance division of the department of commerce same as defined in Iowa Code section 505.1.~~

~~“Department” means the department of commerce insurance and financial services.~~

~~“Director” means the director of the department of commerce.~~

~~“Person” means an individual, corporation, partnership, association, professional corporation, licensee or permittee.~~

~~“Superintendent of banking” means the chief administrative officer of the banking division of the department of commerce same as defined in Iowa Code section 524.201.~~

~~“Superintendent of credit unions” means the chief administrative officer of the credit union division of the department of commerce same as defined in Iowa Code section 533.104.~~

~~“Utilities board” means the board composed of three persons, who are appointed by the governor subject to confirmation by the senate, and who serve as the policymaking body for the utilities division. The chairperson of the utilities board shall be the administrator of the utilities division.~~

**181—1.6(546,17A) Central offices and communications.** Correspondence and communications with the department of ~~commerce~~ insurance and financial services shall be addressed or directed to the department’s director. The department director is the ~~division head appointed by the governor to fulfill the responsibilities~~

and duties of the director in addition to the individual's responsibilities and duties as the head of a ~~division~~commissioner of insurance. The department's Web site is <http://commerce.iowa.gov/difs>.

~~1.6(1) Correspondence and communications with the banking division shall be addressed or directed to its central office located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, (515)281-4014. The division's Web site is <http://www.idob.state.ia.us/>.~~

~~1.6(2) Correspondence and communications with the professional licensing and regulation bureau of the banking division shall be addressed or directed to its office located at 200 East Grand Avenue, Suite 300, Des Moines, Iowa 50309-1827, (515)725-9022. The bureau's Web site is <https://plb.iowa.gov/>.~~

~~1.6(3) Correspondence and communications with the alcoholic beverages division shall be addressed or directed to its central office located at 1918 S.E. Hulsizer Road, Ankeny, Iowa 50021-3961, (515)281-7400. The division's Web site is <https://abd.iowa.gov/>.~~

~~1.6(4) Correspondence and communications with the insurance division shall be addressed or directed to its central office located at 601 Locust Street, Fourth Floor, Des Moines, Iowa 50309-3738, (515)281-5705. The division's Web site is <http://www.iid.iowa.gov/>.~~

~~1.6(5) Correspondence and communications with the utilities division shall be addressed or directed to its central office located at 1375 East Court Avenue, Des Moines, Iowa 50319-0069, (515)725-7300. The division's Web site is <https://iub.iowa.gov/>.~~

~~1.6(6) Correspondence and communications with the credit union division shall be addressed or directed to its central office located at 200 East Grand Avenue, Suite 370, Des Moines, Iowa 50309-1827, (515)725-0505. The division's Web site is <https://creditunions.iowa.gov/>.~~

**181—1.7(546,17A) Custodians of records, filings and requests for public information.** Unless otherwise specified by the department or the rules of its various divisions, each division is the principal custodian of its own divisional orders, statements of law or policy issued by the respective divisions, legal documents and other public documents on file with the department or its respective divisions. This is true in particular for the Iowa fair information practices Act. The responsibility for complying with that Act shall be upon the

individual divisions. Each division shall promulgate rules pursuant to Iowa Code chapter 17A governing the manner in which documents may be filed with the respective divisions. ~~Each division shall promulgate rules pursuant to Iowa Code chapters 17A, 21, and 22 governing the manner in which interested persons may obtain public information regarding that division.~~

**181—1.8(546,17A) Division administrators' responsibilities.**

**1.8(1) *Rule making.*** ~~Except to the extent that rule making authority is vested in a policy making commission,~~ Each division administrator has the authority to promulgate rules pursuant to Iowa Code chapter 17A to implement the duties of the division. Such rules are not subject to review by the department director. All applicable rules previously promulgated by the divisions shall remain in effect until amended by the divisions.

**1.8(2) *Decision making.*** ~~Except to the extent that decision making authority is vested in a licensing and regulation commission or other body,~~ Decisions of the division administrator with respect to duties assigned to the division under the law are final agency actions pursuant to chapter 17A. Decisions by ~~either the commissions or~~ division administrators are not subject to review by the department director.

**1.8(3) *Supervision.*** Each division administrator has the authority to hire, allocate, develop, and direct employees and other resources assigned to the division by law.

**1.8(4) *Establish fees.*** ~~Except to the extent otherwise vested in a policy making commission,~~ Each division administrator has the authority to establish fees assessed to the regulated industry. The fees so established are not reviewable by the department director.

**1.8(5) *Expenditure authorization.*** Each division administrator may authorize expenditures from accounts for that division or office within the ~~department~~ of commerce revolving fund established in Iowa Code section 546.12, or otherwise use funds as permitted by Iowa Code section 546.12.

These rules are intended to implement Iowa Code sections 17A.3 and 546.2.

ITEM 2. Adopt the following **new** rule(s) 181—1.9(17A):

**181—1.9(17A) Petitions for Rule making.** The department of insurance and financial services hereby adopts the petitions for rule making segment of the Uniform Rules on Agency Procedure which are published on the general assembly’s website at [www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf](http://www.legis.iowa.gov/DOCS/Rules/Current/UniformRules.pdf) with the following amendments:

**1.9(1)** Any person or agency may file a petition for rule making with the respective division at the address disclosed ~~in rule 181—1.6 (546,17A) or as instructed~~ on the department’s website. A petition is deemed filed when it is received. The respective division must provide the petitioner with a file-stamped copy of the petition if the petitioner provides the respective division an extra copy for this purpose.

**1.9(2)** The petition must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

***\*For rules being re-promulgated with changes, you may attach a document with suggested changes.***

**METRICS**

<b>Total number of rules repealed:</b>	<b>0</b>
<b>Proposed word count reduction after repeal and/or re-promulgation</b>	<b>396</b>
<b>Proposed number of restrictive terms eliminated after repeal and/or re-promulgation</b>	<b>8</b>

**ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?**

None.