## **Regulatory Analysis**

Notice of Intended Action to be published: 641—Chapter 192 "Child Support Noncompliance"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 252J State or federal law(s) implemented by the rulemaking: Iowa Code chapter 252J

### Public Hearing

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

October 21, 2025 Microsoft Teams

10 a.m. Meeting ID: 286 319 808 076 0

Passcode: tX6ck6P8

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#### Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Victoria L. Daniels 321 East 12th Street Lucas State Office Building Des Moines, Iowa 50309

Email: compliancerules@hhs.iowa.gov

#### Purpose and Summary

This proposed chapter underwent a review as a part of the Red Tape Review process laid out in Executive Order 10. As a result of this review, restrictive terms were removed, areas that were duplicative were combined or eliminated, and editorial updates were made to processes and procedures to ensure they reflect current policies and procedures. This rulemaking requires Department staff to share a notice of child support noncompliance with licensing authorities across the State. Licensing authorities can deny the issuance or renewal of a license upon receipt of a certificate of noncompliance from Child Support Services in accordance with the procedures detailed in Iowa Code chapter 252J.

# Analysis of Impact

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

No additional costs are associated with this proposed rulemaking beyond the aforementioned child support.

• Classes of persons that will benefit from the proposed rulemaking:

Families and children who receive child support may benefit from this 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:

Child Support Services issues one to two license suspensions per year until licensees come into compliance with their child support responsibility.

## • Qualitative description of impact:

Child Support Services helps families recover their past-due or missing child support funds.

- 3. Costs to the State:
- Implementation and enforcement costs borne by the agency or any other agency:

Minimal costs are required to implement this rulemaking. Currently, the Department employs one full-time equivalent (FTE) position to oversee the implementation of these rules.

• Anticipated effect on State revenues:

Not applicable.

# 4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

Inaction would allow those who have not fulfilled their child support obligations to continue working and renewing licenses and could impair the children and families who depend on those child support funds.

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

This rulemaking is required by law.

- 6. Alternative methods considered by the agency:
- Description of any alternative methods that were seriously considered by the agency: Not applicable.
- Reasons why alternative methods were rejected in favor of the proposed rulemaking: This rulemaking is mandated by the Iowa Code.

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?

This rulemaking is not expected to have an impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 641—Chapter 192 and adopt the following <u>new</u> chapter in lieu thereof:

## CHAPTER 192 CHILD SUPPORT NONCOMPLIANCE

**641—192.1(252J) Definitions.** For the purpose of this chapter, the following definitions apply:

"Applicant" means an individual who is seeking the issuance of a license.

"Certificate of noncompliance" means a document as defined in Iowa Code section 252J.1 that is provided by child support services certifying that the applicant or licensee has defaulted on an obligation owed to or collected by child support services.

"License" means the same as defined in Iowa Code section 252J.1.

"Licensing authority" means a board, commission, or any other entity of the department that has authority within this state to suspend or revoke a license or deny the renewal or issuance of a license authorizing a person to engage in a business, occupation, or profession.

- **641—192.2(252J) Denial of issuance or renewal of a license or suspension or revocation of a license.** The licensing authority will deny the issuance or renewal of a license or suspend or revoke a license upon the receipt of a certificate of noncompliance from child support services according to the procedures in Iowa Code chapter 252J. In addition to the procedures set forth in Iowa Code section 252J.3(7), the following apply:
- **192.2(1)** The notice required by Iowa Code section 252J.8 will be served upon the applicant or licensee by restricted certified mail, return receipt requested, or personal service in accordance with Iowa Rule of Civil Procedure 1.305. Alternatively, the applicant or licensee may accept service personally or through authorized counsel.
- **192.2(2)** The suspension, revocation, or denial will be effective no sooner than 30 days following provision of notice to the individual.
- 192.2(3) Applicants and licensees shall keep the licensing authority informed of all court actions, and all child support services actions taken under or in connection with Iowa Code chapter 252J, and shall provide the licensing authority copies, within seven days of filing or issuance, of all applications filed with the district court pursuant to Iowa Code section 252J.9, all court orders entered in such actions, and withdrawals of certificates of noncompliance by child support services.
- **192.2(4)** All licensing authority fees required for application, license renewal, or license reinstatement must be paid by applicants or licensees before a license will be issued, renewed, or reinstated after the licensing authority has denied the issuance or renewal of a license pursuant to Iowa Code chapter 252J.
- 192.2(5) In the event an applicant or licensee timely files a district court action following service of a licensing authority notice pursuant to Iowa Code sections 252J.8 and 252J.9, the licensing authority will continue with the intended action described in the notice upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the licensing authority to proceed. For purposes of determining the effective date of the denial of the issuance, renewal, suspension or revocation of a license, the licensing authority will count the number of days before the action was filed and the number of days after the action was disposed of by the court.
- 192.2(6) The licensing authority will notify the applicant or licensee in writing through regular first-class mail, or such other means as the licensing authority determines appropriate in the circumstances, within ten days of the effective date of the denial of the issuance or renewal of a license and will similarly notify the applicant or licensee if the license is issued or renewed following the licensing authority's receipt of a withdrawal of the certificate of noncompliance.
- **641—192.3(17A,22,252J) Sharing of information.** Notwithstanding any statutory confidentiality provision, the licensing authority may share information with child support services through manual or automated means for the sole purpose of identifying applicants or licensees subject to enforcement under Iowa Code chapter 252J or 598.

These rules are intended to implement Iowa Code chapter 252J.