

## Red Tape Review Rule Report (Due: September 1, 2024)

<b>Department Name:</b>	Transportation	<b>Date:</b>	8/28/2024	<b>Total Rule Count:</b>	1
<b>IAC #:</b>	761	<b>Chapter/ SubChapter/ Rule(s):</b>	27	<b>Iowa Code Section Authorizing Rule:</b>	307.12(1)"j" 573.12
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

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

This chapter is intended to implement Iowa Code section 573.12 regarding interest payments to a contractor on retained funds.

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

Yes, the benefit is being achieved. The chapter provides clear direction on how and when interest payments will be paid to a contractor.

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

There are no costs incurred by the public to comply with the rule.

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

There are no costs to the Department to implement or enforce the rule.

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

There are no costs; however, the rule is a benefit. Establishing requirements and procedures that the Department will follow concerning interest on retained funds ensures the process is clear and is consistency applied.

**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 consider alternatives.

**Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language?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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27.1(2) "a" was removed at it is no longer necessary. The Department has no contracts in effect pre-1990.

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

None

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

27.1

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

**METRICS**

<b>Total number of rules repealed:</b>	0
<b>Proposed word count reduction after repeal and/or re-promulgation</b>	23
<b>Proposed number of restrictive terms eliminated after repeal and/or re-promulgation</b>	1

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

The Department recommends the following language be added within Iowa Code section 573.12: "The department of transportation shall adopt rules pursuant to chapter 17A for the retention, accrual and payment of interest on retained funds for public improvements contracted for by the department."