



# ILR BASIC TRAINING SESSION 1

2021 Legislative Priorities – Helping Share  
Knowledge with Stakeholders



# What We'll Cover

## **Section 1.**

Legislative Representation

## **Section 2.**

Proposed Legislation for 28E

## **Section 3.**

Proposed Legislation for Fee  
Flexibility

## **Section 4.**

Communicating with  
Supervisors, Legislators and  
Stakeholders

## **Section 5.**

Where to Find Resources



# ESS Legislative Liaisons

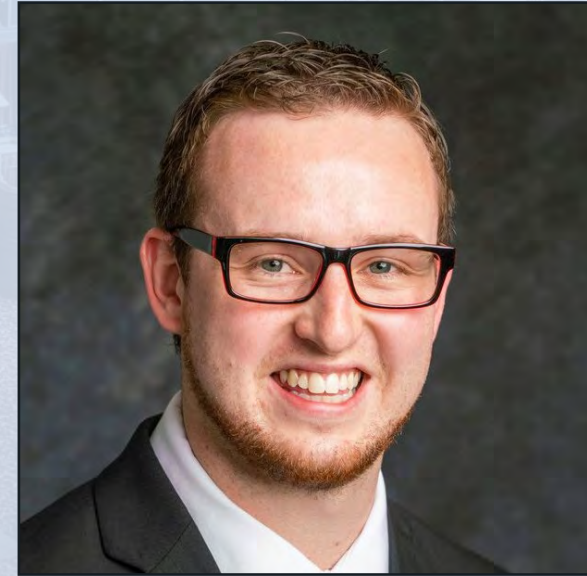
- Rafferty Group
- 2003-4 Involved in enabling legislation for the “county land records information system”
- Ongoing Adviser and Advocates with a growing team



BOB RAFFERTY



RACHEL ONG



NICK LANING



# ICRA Legislative Representation

- Ongoing communication and coordination with ICRA leadership including:
  - Kathy Jurries – ICRA President
  - Deb Kupka – ICRA Vice President
- 2021 ESS Officers have not yet been elected – February, 2021



**JOHN MURPHY**  
*Dubuque County Recorder*



**STACIE HERRIDGE**  
*Story County Recorder*

# 2021 Legislative Agenda

**Our focus is on the following topics:**

- Proposed Legislation for 28E
- Proposed Legislation for Fee Flexibility





ILR BASIC TRAINING

# Session 1 Progress

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Representation

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## Section 3

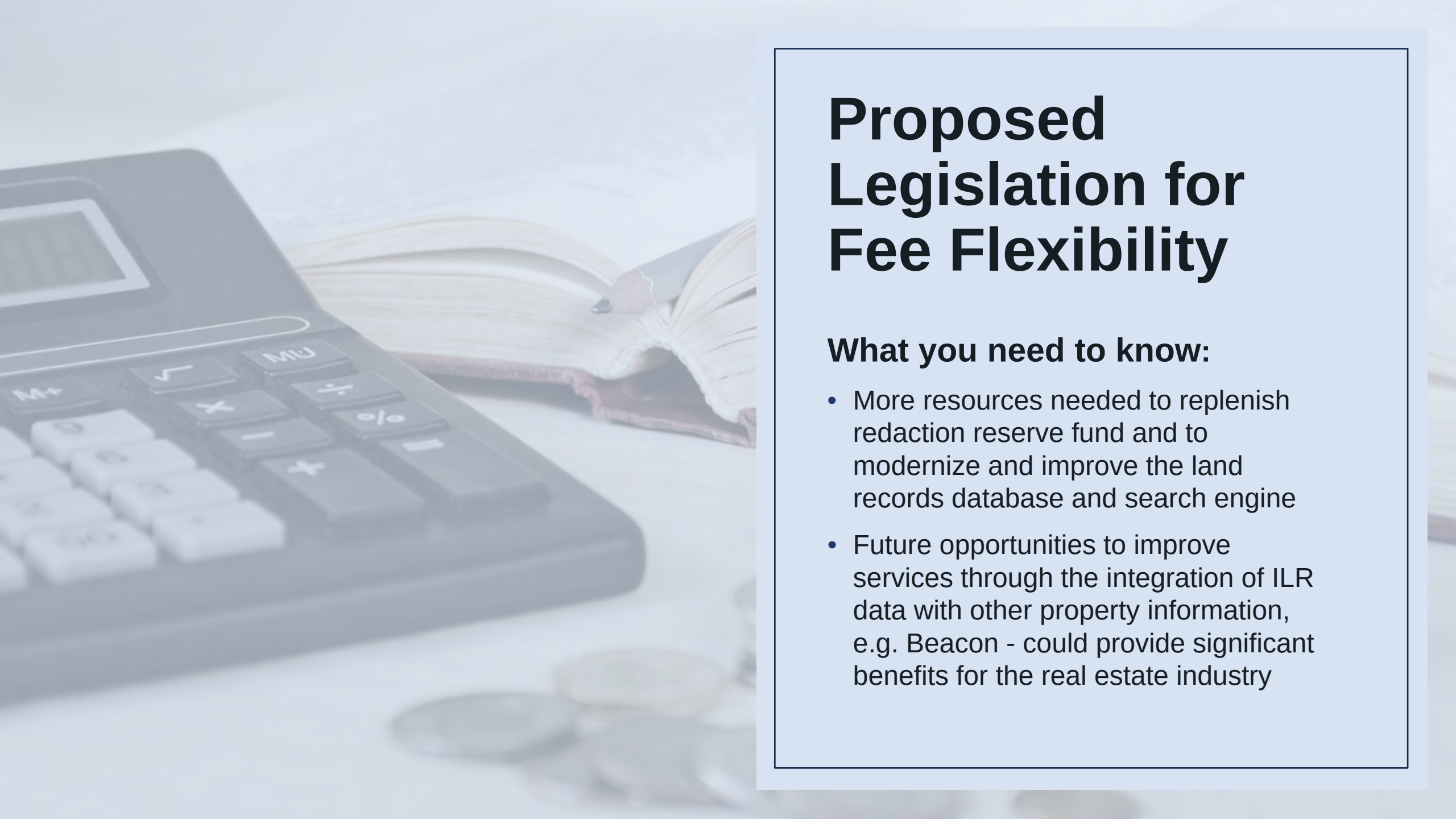
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A background image showing a calculator, an open book, and coins. The calculator is on the left, the book is in the center, and coins are at the bottom. The text is overlaid on the right side of the image.

# Proposed Legislation for Fee Flexibility

## What you need to know:

- More resources needed to replenish redaction reserve fund and to modernize and improve the land records database and search engine
- Future opportunities to improve services through the integration of ILR data with other property information, e.g. Beacon - could provide significant benefits for the real estate industry

# E-Submission Service Fee Uses

## **Current Law Limits Uses To:**

- The E-Submission Application
- Related Applications (Payment)
- Related Services and Infrastructure

## **Current Law Prevents Uses For**

- Redaction
- The Portal Application (Database and Search Engine)
- Data Integration Activities





# No Fee Changes Proposed

- Proposed legislation would authorize ESS to use revenue from E-Submission service fees for other items
  - such as redaction, improvement of land records search tools, and collaboration with other land records systems
- No changes in E-Submission fees are planned – current fee of \$3.00 established in 2015.



| Calendar Year | Total E-Submission Service Fee Income |
|---------------|---------------------------------------|
| 2007          | \$18,824.00                           |
| 2009          | \$85,933.00                           |
| 2015          | \$286,144.00                          |

## Fees Explained

- Electronic recording service fee of **\$1.50 per recorded document** was authorized in 2005
- Low initial adoption rate among real estate professionals meant low revenue generation
- The E-Submission service fee was increased to \$3.00 in 2015.
- And as more real estate professionals adopted electronic recording methods, service fee revenue has increased



# Fees Explained

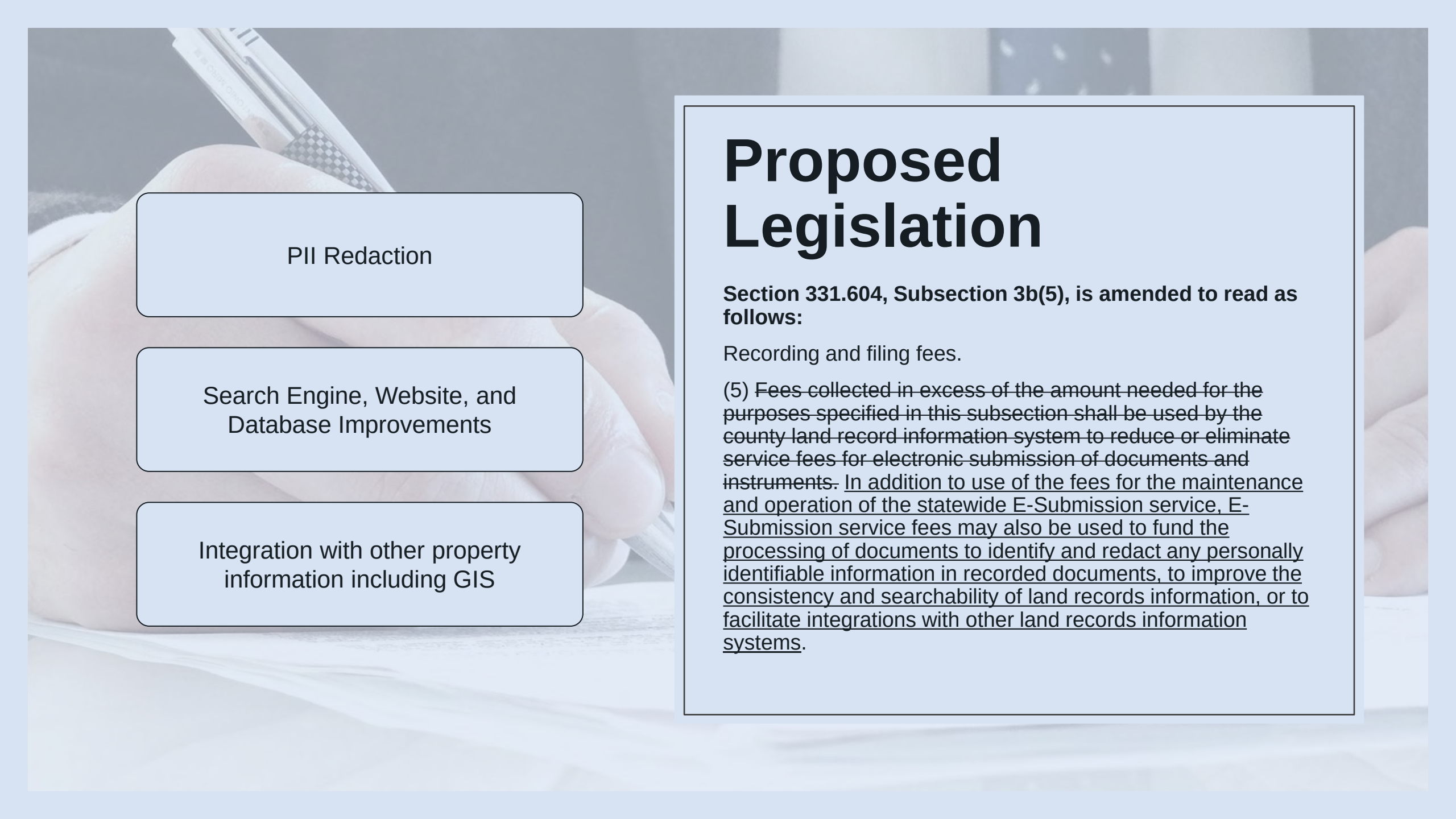
- Meanwhile, the purchasing power of the \$1.00 recording fee for ESS & ILR has diminished during the 15-year period.
- Income supporting the base operations for ESS declined as overall recording activity has diminished

| <b>Fiscal Year</b> | <b>Total Income \$1.00 Recording Fee</b> |
|--------------------|------------------------------------------|
| 2007               | \$715,892.00                             |
| 2009               | \$643,415.00                             |
| 2015               | \$561,266.00                             |
| 2019               | \$553,490.00                             |

# Search Engine Actively Used

- Search engine tool continues to be a core service
- In 2019, an average of over 7,750 users per month conducted more than 3.8 million county searches for land records and other recorded public documents
- 2020 data will be available soon





PII Redaction

Search Engine, Website, and  
Database Improvements

Integration with other property  
information including GIS

# Proposed Legislation

**Section 331.604, Subsection 3b(5), is amended to read as follows:**

Recording and filing fees.

~~(5) Fees collected in excess of the amount needed for the purposes specified in this subsection shall be used by the county land record information system to reduce or eliminate service fees for electronic submission of documents and instruments.~~ In addition to use of the fees for the maintenance and operation of the statewide E-Submission service, E-Submission service fees may also be used to fund the processing of documents to identify and redact any personally identifiable information in recorded documents, to improve the consistency and searchability of land records information, or to facilitate integrations with other land records information systems.



# Sidebar About – Amending the Current Code

## References Uses for the \$1.00 Fee

- As a part of the redaction project, ILR proposed increasing the base fee to \$2.00 per document
- The intent was to use any excess revenue to reduce the E-Submission fee if possible

## Except ...

- The \$1.00 Fee was never increased
- Unlikely to be changed



# Communicating with Legislators and Stakeholders

## What they need to know:

- Budget Flexibility to Improve the Website
  - Redaction, Search Engine and Database Improvements, and sharing with other property information including GIS
- Talking points
  - Statewide nearly 21 million records online
  - Inspected for PII and redacted
  - Redaction Reserve Funds Depleted
  - More than 360,000 records e-filed
  - Providing Contact-Free Service during the pandemic
  - The Search Engine Platform and Database was built in 2005 and needs updating



# Communicating with Legislators and Stakeholders

## What they need to know (cont'd):

- Use the Fee Flexibility Information Flyer
  - Already provided to key legislators and stakeholder groups
- Reference your local experience
  - # of records online
  - # of records e-filed







# Headwinds

- Some Stakeholder Groups Will Oppose
- Some Oppose Posting Records Online
- Action Steps
  - Advise your legislators – they shouldn't be surprised
  - Ask for support from your local stakeholders: real estate attorneys, bankers, etc.

A person wearing a dark suit and a light-colored shirt is pointing their right index finger at a document. The background is a light blue-tinted image of a desk with papers and a wooden gavel. A white rectangular box with a thin black border is centered over the image.

**Questions?**

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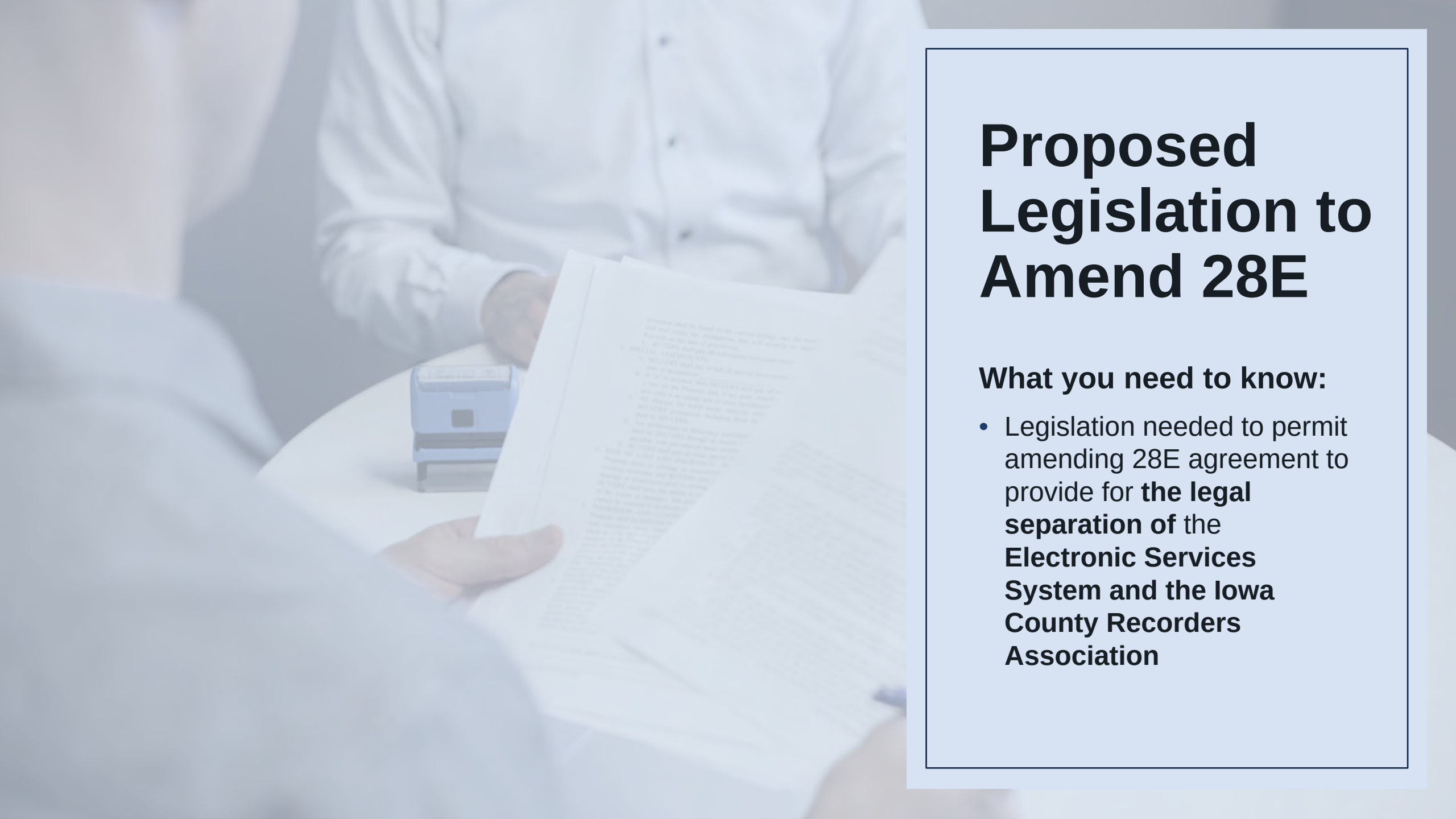
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# Proposed Legislation to Amend 28E

## What you need to know:

- Legislation needed to permit amending 28E agreement to provide for **the legal separation of the Electronic Services System and the Iowa County Recorders Association**

# Statewide System with Local Governance

- ESS and Iowa Land Records is one of the few statewide land records systems in U.S.
- Provides public access to nearly than 21 million records and enables electronic filing in all Iowa counties
- Standardized data and service delivery across all 99 counties, simplifying operations for Iowa's real estate industry





# History of ESS and the 28E

- In 2005, nearly two years after the creation of the county land records information system, a session law was adopted (House File 882) requiring that the system be managed through a 28E organization
- The legislation required that all contracts be administered through the Iowa County Recorders Association
- **Created unusual circumstance of having a 28E organization managed by a nonprofit**





# 28E Compliance

- ESS complies with conventions for public organizations in Iowa:
  - Open Records
  - Open Meetings
  - Formal Policies & Procedures
  - Annual Audit
- Currently required to file a 990 tax return for the IRS
- Recent discussions with State Auditor's office about the unusual 28E and non-profit combination and tax process spurred planning with ESS legal counsel

# Amendment Review

- Amendment drafted to remove direct references to the Iowa County Recorders Association
- Establishes the existing ESS Coordinating Committee as the primary governing board
- Iowa county recorders would still be actively involved with management of ESS by continuing to serve as key members of ESS Coordinating Committee
- The ICRA Executive Board would continue to appoint ESS members





# Legislation Required

- Proposed amendment to 28E was developed with the assistance of legal counsel
- Review led to finding that amendment to the 28E agreement required modifying the original session law
  - Required administration of contracts through ICRA

## What comes next?

- If proposed legislation is enacted, the amendment to the 28E agreement would be initiated after July 1, 2021
- If amendment is approved by requisite counties, the change would likely be effective January 1, 2022



# Proposed Legislation

**Proposed Session Law to clarify Session Law enacted in Chapter 179 – Laws of the Eighty-First G.A., 2005 Session - Section 101, paragraph 1, Pages 818-819 (House File 882)**

Section \_\_. COUNTY LAND RECORD INFORMATION SYSTEM – GOVERNANCE.

1. The 28E agreement for the implementation of the county land record information system known as the Electronic Services System, in accordance with the requirements of Chapter 179 – Laws of the EightyFirst G.A., 2005 Session - Section 101, paragraph 1, may be amended by the board of supervisors of each county, on behalf of each county recorder, as necessary to provide for the ongoing implementation of the county land record information system. Each county shall participate in the county land record information system and Electronic Services System, and shall comply with the policies and procedures established by the governing board established by the 28E agreement.

Key Changes

In Proposed

Legislation

# Communicating with Legislators, Supervisors and Stakeholders

## What they need to know:

- Technical Change To Simplify the ESS Governance Structure
- If Approved, Amendment Considered after July 1, 2021 – Possibly Effective January 1, 2022
- No Impact Expected on Services or Fees



# Communicating with Legislators, Supervisors and Stakeholders

## What they need to know (Cont'd.):

- Drafted by ESS Legal Counsel
- Reviewed with And Supported by State Auditor's office
- Benefit - 990 Return Not Required in Future Years
- Benefit - Reduced Liability Exposure for ICRA
- Records Retain Governance - ICRA Exec Board Appoints the ESS Coordinating Committee





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# Communicating with Supervisors, Legislators and Stakeholders

**As You Communicate with Supervisors, Legislators and Stakeholders About These Topics:**

- Share Your Insights With ICRA Leadership and ESS Staff
- Have Engagement – Complete a Stakeholder Update Form – 7 short questions (including your name and county)
- Always Open (Similar To the COVID Update Survey)

<https://www.surveymonkey.com/r/legislativefeedback2021>

## Home Is Best

- Local Coffee
- Public Legislative Forum
- Personal Call
- Personal Email



# Stakeholder Update

\* 3. Name & Title of Legislator, Stakeholder or Supervisor which legislative topics were discussed with.

4. Company name of stakeholder (if applicable)

5. Approximate date of discussion

[EDIT](#) [OPTIONS](#) [MOVE](#) [COPY](#) [DELETE](#)

Date

Date

\* 6. Legislative Topics Discussed (Check All That Apply)

- ☐ Amendment to 28E Agreement
- ☐ Expanded Uses of E-Submission Service Fee
- ☐ Groundwater Hazard Statement Process Improvement
- ☐ Other Topic (please specify)

\* 7. What knowledge or insight did you gain from the conversation? Or what information was requested by the participant that we can help provide? Or what questions were asked that we can help answer?

# Shared with ICRA and ESS Leadership

## Follow Up As Appropriate

- Provide Information
- Answer Questions
- Address Concerns
- Encourage Support



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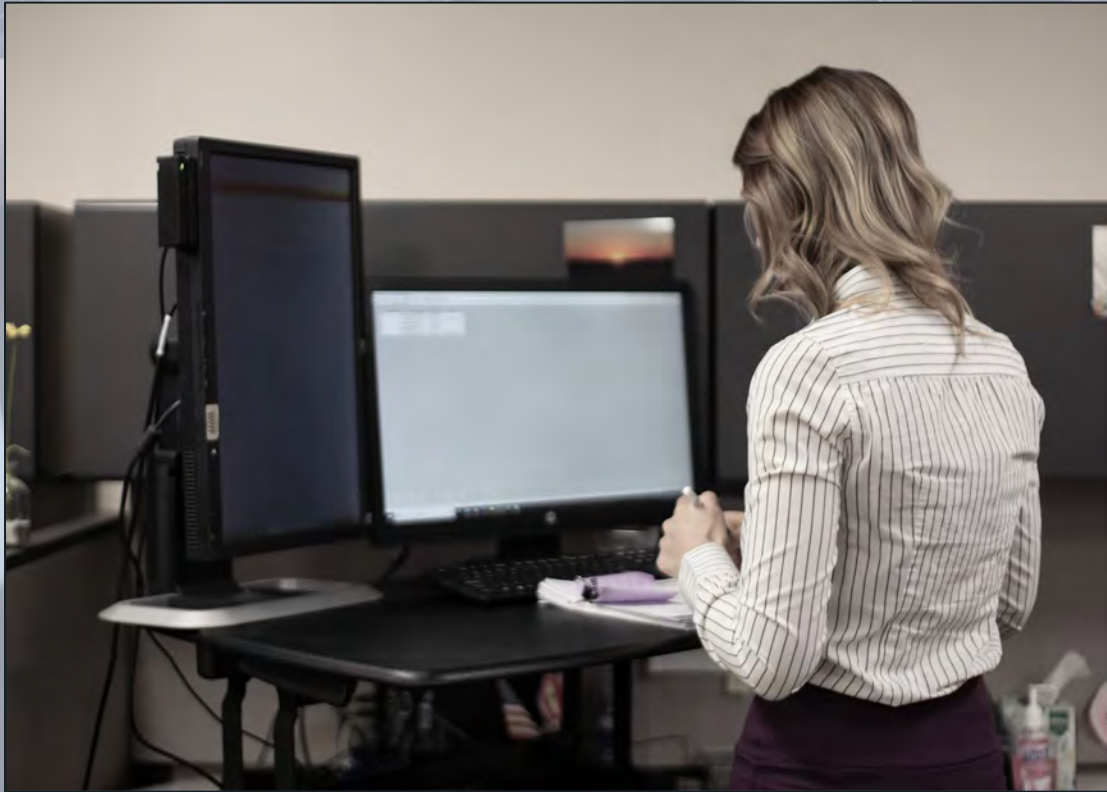
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# Where to Find Resources



The ICRA Information Hub and  
Monthly Recorder Updates



Contact ESS and ILR at  
[support@clris.com](mailto:support@clris.com)



Contact ICRA Leadership or  
District Representatives

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**Questions?**





**THANK YOU!**