

SECRETARY OF STATE[721]

Notice of Intended Action

**Proposing rule making related to fees
and providing an opportunity for public comment**

The Secretary of State hereby proposes to amend Chapter 30, “Uniform Commercial Code,” and Chapter 40, “Corporations,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code chapter 17A and section 9.4A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 9.4A and 2022 Iowa Acts, Senate File 2385, section 29.

Purpose and Summary

In 2017, the Legislature authorized the Secretary of State to temporarily increase some fees for the purposes of modernizing Secretary of State technology to benefit Iowa’s business community. Those temporary increases ended effective June 30, 2022. This proposed rule making reverts those fees to the amounts prior to the increase. The Secretary of State’s office stopped collecting the extra fees as scheduled starting July 1, 2022. This rule making reflects that practice.

Fiscal Impact

The Secretary of State received up to \$2 million in revenue to update and modernize technology. That total, plus slightly more in some years (sent to the General Fund), will no longer be collected by the Secretary of State. This is not an impact of the rule making itself, but is due to the sunset in the 2017 legislation authorizing those fees, ending June 30, 2022. This rule making merely reflects the sunset provision.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Secretary of State for a waiver of the discretionary provisions, if any, pursuant to 721—Chapter 10.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Secretary of State no later than 4:30 p.m. on August 16, 2022. Comments should be directed to:

Molly Widen
Office of the Secretary of State
Lucas State Office Building, First Floor
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.281.5864
Email: molly.widen@sos.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend subrule 30.1(10) as follows:

30.1(10) Filing fees.

a. Filing fee. The fee for filing and indexing a UCC document of one or two pages communicated on paper or in a paper-based format (including faxes) is ~~\$20~~ \$10. If there are additional pages, the fee is ~~\$40~~ \$20. But the fee for filing and indexing a UCC document communicated by a medium authorized by these rules which is other than on paper or in a paper-based format shall be ~~\$10~~ \$5. ~~Upon the expiration of the technology modernization fund in Iowa Code section 9.4A, as created by 2017 Iowa Acts, Senate File 516, section 23, the fees will revert back to the amounts authorized prior to July 1, 2017. Funds generated by these fees shall be exclusively used for improving business services technology.~~

b. UCC search fee. The fee for a UCC search request communicated verbally, on paper or in a paper-based format is \$5.

c. UCC search—copies. The fee for paper copies of UCC documents is \$1 per page.

ITEM 2. Amend subrule 40.8(1) as follows:

40.8(1) A limited partnership or foreign limited partnership authorized to transact business in this state shall deliver to the secretary of state for filing a biennial report that meets the requirements of Iowa Code section 488.210.

a. The fee for filing and indexing a biennial report filed on paper or in a paper-based format is ~~\$60~~ \$45. This fee may be provided in the form of credit card, cash, personal check, cashier’s check, or money order or by secretary of state charge account. ~~Upon the expiration of the technology modernization fund in Iowa Code section 9.4A, as created by 2017 Iowa Acts, Senate File 516, section 23, the fee will revert back to the amount authorized prior to July 1, 2017. Funds generated by this fee shall be exclusively used for improving business services technology.~~

b. The fee for an electronic filing through the secretary of state Internet website is ~~\$45~~ \$30. This fee must be paid by ~~check, credit card, or secretary of state charge account~~ credit card or secretary of state charge account. ~~Upon the expiration of the technology modernization fund in Iowa Code section 9.4A, as created by 2017 Iowa Acts, Senate File 516, section 23, the fee will revert back to the amount authorized prior to July 1, 2017. Funds generated by this fee shall be exclusively used for improving business services technology.~~

ITEM 3. Amend subrule 40.8(2) as follows:

40.8(2) A limited liability company or a foreign limited liability company authorized to transact business in this state shall deliver to the secretary of state for filing a biennial report that meets the requirements of Iowa Code section 489.209.

a. The fee for filing and indexing a biennial report filed on paper or in a paper-based format is ~~\$60~~ \$45. This fee may be provided in the form of credit card, cash, personal check, cashier's check, or money order or by secretary of state charge account. ~~Upon the expiration of the technology modernization fund in Iowa Code section 9.4A, as created by 2017 Iowa Acts, Senate File 516, section 23, the fee will revert back to the amount authorized prior to July 1, 2017. Funds generated by this fee shall be exclusively used for improving business services technology.~~

b. The fee for an electronic filing through the secretary of state Internet website is ~~\$45~~ \$30. This fee must be paid by ~~check, credit card, or secretary of state charge account~~ credit card or secretary of state charge account. ~~Upon the expiration of the technology modernization fund in Iowa Code section 9.4A, as created by 2017 Iowa Acts, Senate File 516, section 23, the fee will revert back to the amount authorized prior to July 1, 2017. Funds generated by this fee shall be exclusively used for improving business services technology.~~

ITEM 4. Rescind subrule **40.8(3)**.

ITEM 5. Amend **721—Chapter 40**, implementation sentence, as follows:

These rules are intended to implement Iowa Code chapters 490, 491, 499, 504, and 548 ~~and 2017 Iowa Acts, Senate File 516, section 23.~~