RA 26-256

TREASURER OF STATE[781]

Regulatory Analysis

Notice of Intended Action to be published: 781—Chapter 9
"Unclaimed Property"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 556
State or federal law(s) implemented by the rulemaking: Iowa Code chapter 556

Public Hearing

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

September 8, 2026 9 to 10 a.m.	Room 113 Office of the Treasurer of State Iowa Capitol

Public Comment

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

Molly Widen, Chief of Staff
1007 East Grand Avenue, First Floor
Des Moines, Iowa 50319
Email: molly.widen@tos.iowa.gov

Purpose and Summary

This proposed rulemaking is necessary to remove restrictions related to asset purchase agreements and to make updates related to the reporting of individual retirement accounts.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

No class of person will bear the costs of this rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Asset purchasers, "large business associations" as defined in the proposed rules, certificate of deposit and other timed deposit owners, and owners of uncashed distribution checks issued from tax-advantaged accounts will benefit from this 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:**

No quantitative impact is expected as a result of this rulemaking.

- **Qualitative description of impact:**

No qualitative impact is expected as a result of this rulemaking.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no costs borne by the agency as a result of this rulemaking.

- **Anticipated effect on State revenues:**

There is no expected effect on State revenues.

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

This rulemaking will clarify language related to the reporting of certificates of deposit and other time deposits. Additionally, it will allow asset purchase agreements to become fully effective in the State of Iowa.

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

No less costly or less intrusive methods exist.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

No alternative methods were considered.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

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?

Not applicable.

Text of Proposed Rulemaking

ITEM 1. Rescind rule 781—9.9(556) and adopt the following **new** rule in lieu thereof:

781—9.9(556) Reporting of certificates of deposit and other time deposits. Where the term of a certificate of deposit or other time deposit is greater than the abandonment period of three years under Iowa Code section 556.2(1), the time for the reporting of delivery of the certificate of deposit or other time deposit to the division shall be extended to the date of maturity or three years from the date on which the abandonment period commences, whichever is later.

This rule is intended to implement Iowa Code chapter 556.

ITEM 2. Amend subrule 9.12(2) as follows:

9.12(2) Uncashed distribution checks issued from tax-advantaged accounts are reportable three years from the date the ~~property became reportable~~ check was issued pursuant to Iowa Code section 556.7. Uncashed distribution checks issued for a plan account described in Sections 529 and 529A of the Internal Revenue Code shall be reported in accordance with the IRS 1099-Q form issued at the time the distribution check was issued.

ITEM 3. Amend rule 781—9.33(556) as follows:

781—9.33(556) Claimant interest in unclaimed property.

9.33(1) The division shall have the exclusive authority to determine a claimant's interest in unclaimed property.

9.33(2) Absent an order of a court of competent jurisdiction or by operation of the Iowa probate code or other applicable law, an owner's interest in unclaimed property held by the division may not be transferred to a third party except in the following circumstances:

a. As a remnant asset in bankruptcy~~;~~.

b. Under an asset purchase agreement where the sellers comprise a large business association.

(1) For the purposes of this subrule, a "large business association" means a business association or group of business associations that:

1. Generates $100 million or more in annual gross receipts or sales,

2. Employs 100 or more full-time employees in the United States, or

3. Has equity securities publicly traded on an exchange regulated by the federal Securities and Exchange Commission.

(2) Claims filed by asset purchasers under this paragraph must include:

1. An executed copy of the asset purchase agreement or similar contract between the asset purchaser and the seller, only commercially sensitive pricing terms for which may be redacted, and

2. An attestation by the seller either in the asset purchase agreement or in a separate written affirmation from the owner that the owner:

- Meets one or more of the above characteristics that qualify it as a large business association, and
- Is aware that it is selling unclaimed property that may be recovered from the administrator without paying a fee.

(3) If the seller is a publicly traded entity, the asset purchaser may provide a copy, or a link to an online copy, of the most recent Form 10-K filed with the Securities and Exchange Commission in lieu of the affirmation that the seller meets one or more of the characteristics that qualify it as a large business association.

~~*b.*~~ *c.* Under an agreement that assigns the apparent owner's interest in the unclaimed property where the agreement is otherwise valid and meets the following criteria:

(1) The agreement is made at least 24 months after the date payment or delivery is made under Iowa Code section 556.13;

(2) The agreement is in writing and signed by the apparent owner; and

(3) The agreement discloses the nature and value of the property and the name and address of the person in possession of the property.

9.33(3) For the purposes of the Act, a money or similar judgment against an apparent owner does not create an interest in the specific property held by the division on behalf of the apparent owner.

This rule is intended to implement Iowa Code section 556.19.