

ATTORNEY GENERAL[61]

Regulatory Analysis

Notice of Intended Action to be published: 61—Chapter 40
“Age Verification for Internet Material Pornographic for Minors”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 554J.5

State or federal law(s) implemented by the rulemaking: Iowa Code chapter 554J as enacted by 2026 Iowa Acts, House File 864

Public Hearing

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

October 20, 2026
3 p.m.

Hoover State Office Building, Second Floor
1305 East Walnut Street
Des Moines, Iowa

Public Comment

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

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Purpose and Summary

This proposed rulemaking implements Iowa Code chapter 554J as enacted by 2026 Iowa Acts, House File 864, which requires any person operating an internet site, application, or segment thereof that contains a substantial portion (33 percent or more) of material pornographic for minors to perform reasonable age verification. This rulemaking establishes approved age verification methods (including government digital ID, commercial transactional data, and emerging technologies like facial age estimation), establishes mandatory data privacy and security standards, and outlines enforcement mechanisms and civil penalties administered by the Office of the Attorney General.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

• Classes of persons that will bear the costs of the proposed rulemaking:

Commercial entities that operate internet sites, mobile applications, or segments of internet sites or applications available in Iowa that host a substantial portion of content pornographic for minors will bear the costs of implementing age verification tools and maintaining compliance with data security and immediate deletion standards.

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

Minors under 18 years of age in Iowa will benefit from reduced access to pornographic content, and Iowa residents in general will benefit from stringent statutory data privacy and security protections restricting the retention, sale, or lease of personal identifying information.

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:**

Covered platforms will incur compliance costs to integrate age verification mechanisms, such as application programming interface (API) integration fees for digital ID or third-party commercial verification, credit card verification transaction fees, or licensing fees for third-party age estimation technologies. Additionally, covered entities face potential civil penalties of up to \$1,000 per noncompliant user access session, subject to a maximum cap of \$10,000 per single calendar day.

- **Qualitative description of impact:**

The rulemaking enhances consumer privacy by strictly prohibiting the retention, lease, or sale of user identifying information and requiring immediate deletion of collected verification data upon session completion. Platforms must also implement reasonable administrative, technical, and physical safeguards, including encryption protocols and routine vulnerability assessments.

3. Costs to the State:

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

The Office of the Attorney General will incur operational costs related to reviewing consumer complaints, issuing Civil Investigative Demands (CIDs), conducting investigations, and initiating civil enforcement actions in district court. The Office of the Attorney General will have to absorb these costs since funds were not appropriated to cover these expenses.

- **Anticipated effect on State revenues:**

State revenues are anticipated to increase to the extent that civil penalties are assessed and collected for noncompliance because all civil penalties collected under this chapter are required to be deposited into the General Fund of the State.

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

Rulemaking is required by Iowa Code section 554J.5 and 2026 Iowa Acts, House File 864. Inaction would leave minors unprotected from accessing pornographic content online. The regulatory action clarifies statutory age verification standards, ensures uniform data privacy and deletion requirements, and provides a structured enforcement process. The societal benefits of protecting minors and consumer data privacy outweigh the technical compliance costs imposed on platforms hosting pornographic content.

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 that achieve the statutory purpose while ensuring data security and privacy. The rulemaking offers platforms multiple flexible verification methods—ranging from government digital IDs and transactional data checks to emerging third-party technologies—allowing entities to select the method least burdensome to their specific business model.

6. Alternative methods considered by the agency:

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

There are no plausible alternatives to rulemaking.

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

Rulemaking is required by Iowa Code section 554J.5 and 2026 Iowa Acts, House File 864.

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?

Iowa Code chapter 554J applies uniformly to all commercial entities operating platforms containing a substantial portion of content pornographic for minors regardless of entity size. Lowering verification standards for small businesses would frustrate the statutory goal of preventing minor access to such material.

The statutory framework does not provide for tiered compliance schedules based on business size because uniform enforcement is required to protect minors.

The rulemaking simplifies compliance by recognizing existing commercial verification options (e.g., credit card verification and third-party databases) and third-party vendor solutions, enabling small businesses to adopt existing off-the-shelf tools rather than building custom infrastructure.

The rulemaking utilizes performance standards by requiring reasonable data security safeguards and age verification accuracy appropriate to the person's scope of business rather than prescribing rigid hardware or design setups.

Exempting small businesses would create a regulatory loophole permitting minors to access pornographic material on smaller platforms, directly conflicting with Iowa Code chapter 554J.

The rulemaking accommodates smaller entities by allowing age verification methods that are "commercially reasonable given a person's scope of business." By approving multiple existing commercial methods (e.g., credit card checks or established third-party verification vendors) and utilizing performance standards for data security safeguards proportional to business scope, the rulemaking minimizes technical and financial friction for small businesses.

Text of Proposed Rulemaking

ITEM 1. Adopt the following **new** 61—Chapter 40:

CHAPTER 40

AGE VERIFICATION FOR INTERNET MATERIAL PORNOGRAPHIC FOR MINORS

61—40.1(554J) Purpose and scope. This chapter implements Iowa Code chapter 554J that requires any person operating an internet site, application, or segment thereof containing a substantial portion of material pornographic for minors to utilize reasonable age verification methods. These rules outline approved age verification methods, data security requirements, and the enforcement procedures and penalties administered by the attorney general.

61—40.2(554J) Definitions. The definitions in Iowa Code section 554J.1 are incorporated herein by reference. In addition, for the purposes of this chapter:

“Attorney general” means the attorney general of the state of Iowa or the attorney general’s designated representative.

“Department” means the Iowa department of justice, office of the attorney general.

61—40.3(554J) Approved methods of age verification. Pursuant to Iowa Code section 554J.2(2)“c,” the attorney general approves the following methods for performing reasonable age verification to prevent minors from accessing pornographic content:

40.3(1) Digital identification. Verification by requiring the individual to provide a valid, unexpired digital identification issued by a government entity (e.g., a digital driver’s license or mobile ID approved by the Iowa department of transportation or another state government).

40.3(2) Commercial transactional data. Any commercially reasonable method that relies on transactional data, including but not limited to:

a. Credit card verification checks that charge a nominal, immediately voided/refunded fee to verify account validity.

b. Cross-referencing user-provided information against independent, third-party commercial databases (e.g., credit reporting agencies, public records databases) to verify that the individual is 18 years of age or older.

40.3(3) Emerging technological methods. Any independent, third-party age estimation or verification technology (e.g., secure facial age estimation software) that meets the following criteria:

a. Demonstrates a high degree of technical accuracy within the industry.

b. Does not retain biometric or identifying information after the verification process is complete.

c. Has been reviewed and explicitly listed as an approved system on the official website of the Iowa attorney general.

61—40.4(554J) Data privacy, security, and retention limits.

40.4(1) *Retention and sale prohibited.* Any person or third-party contractor performing age verification under this chapter shall not retain, sell, lease, or otherwise disseminate any identifying information of an individual subject to verification unless explicitly required by a valid law or court order.

40.4(2) *Immediate deletion.* All personal identifying information, transactional history, or biometric data collected solely for the purpose of verifying age must be permanently deleted immediately upon successful completion of the verification session.

40.4(3) *Data security standards.* To comply with Iowa Code section 554J.2(4), entities must implement reasonable administrative, technical, and physical safeguards appropriate to their scope of business. That includes, at minimum:

a. Encryption of all verification data during transmission and brief storage using industry-standard protocols.

b. Regular vulnerability assessments of the verification pipeline.

61—40.5(554J) Complaints, investigations, and injunctions.

40.5(1) *Complaint filing.* Any resident of the state of Iowa may file a written complaint with the consumer protection division of the department alleging that an internet site or application is operating in violation of Iowa Code chapter 554J.

40.5(2) *Civil investigative demands (CIDs).* To investigate suspected violations, the attorney general may issue CIDs requiring the production of relevant data, traffic metrics, and documentation of age verification protocols.

40.5(3) *Injunctions.* If the attorney general determines a person is in violation of Iowa Code chapter 554J, the attorney general may initiate a civil action in district court to seek a temporary restraining order, preliminary injunction, or permanent injunction to cease the operation of the noncompliant platform within Iowa.

61—40.6(554J) Civil penalties and enforcement.

40.6(1) *Penalty structure.* A violation of Iowa Code chapter 554J shall be punishable by a civil penalty of up to \$1,000 per violation.

40.6(2) *Separate violations.* Each distinct instance in which an individual successfully accesses an internet site or application that is not in compliance with Iowa Code chapter 554J is a separate and independent violation.

40.6(3) *Daily cap.* Civil penalties assessed against a single person or entity shall not accrue to more than \$10,000 in a single calendar day.

40.6(4) *Deposit of funds.* All civil penalties collected via settlement or court order under this chapter shall be deposited directly into the general fund of the state of Iowa.

These rules are intended to implement Iowa Code chapter 554J.