Regulatory Analysis

Notice of Intended Action to be published: 721—45.4(572) and 721—45.5(572)
"MNLR Preliminary Notices; Notices of Commencement of Work"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 572.34(12)
State or federal law(s) implemented by the rulemaking: Iowa Code section 572.34(12)

Public Hearing

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

December 31, 2024 1 to 2 p.m.	Via videoconference call: meet.google.com/bgd-sijt-agq

Public Comment

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

Eric Gookin
Office of the Secretary of the State
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Email: eric.gookin@sos.iowa.gov

Purpose and Summary

This proposed rulemaking adds subrules under rules 721—45.4(572) and 721—45.5(572) to adopt specifics for renewing, making inactive, and removing inactive Mechanics' Notice and Lien Registry (MNLR) preliminary notices and notices of commencement of work as required by Iowa Code section 572.34(12).

Analysis of Impact

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

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

There are no costs of the proposed rulemaking.

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

The rulemaking does not create or alter benefits.

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:**

There is no economic impact of the proposed rulemaking.

- **Qualitative description of impact:**

There is no qualitative impact of the proposed rulemaking.

3. **Costs to the State:**

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

There are negligible implementation costs to the Secretary of State in the form of software developer time. There is no cost to any other agency.

- **Anticipated effect on state revenues:**

There is no effect on state revenues.

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

There is a negligible cost difference between adoption of the proposed amendments and inaction.

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

No less costly methods 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:**

No alternative methods were considered.

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?

The proposed rulemaking does not have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend rule 721—45.4(572) as follows:

721—45.4(572) Posting of notice of commencement of work; renewal of notice; inactive notice.

45.4(1) to **45.4(3)** No change.

45.4(4) *Renewal of notice of commencement of work.* A notice of commencement of work may be renewed on the MNLR within 30 days prior to being declared inactive.

45.4(5) *Notice of commencement of work declared inactive.* A notice of commencement of work, if there are no related active postings, shall be declared inactive two years from the date of posting, unless renewed.

45.4(6) *Removal of inactive notice.* A notice of commencement of work shall be removed from the MNLR one year after being declared inactive.

ITEM 2. Amend rule 721—45.5(572) as follows:

721—45.5(572) Posting of preliminary notice; renewal of notice; inactive notice.

45.5(1) to **45.5(4)** No change.

45.5(5) *Renewal of preliminary notice.* A preliminary notice may be renewed on the MNLR within 30 days prior to being declared inactive.

45.5(6) *Preliminary notice declared inactive.* A preliminary notice that remains posted on the MNLR two years after the date of posting shall be declared inactive by the administrator, unless renewed.

45.5(7) *Removal of inactive notice.* A preliminary notice shall be removed from the MNLR one year after being declared inactive.