

FEB 24 2003
STATE GOVERNMENT

HOUSE FILE 272
BY JOCHUM

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to requirements for state and local governmental
2 units, including requirements for the secretary of state and
3 counties relating to the filing of business and commercial
4 documents, providing for fees and appropriations, and
5 providing effective and retroactive applicability dates.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I
BUSINESS FILING FEES

Section 1. Section 490.1622, subsection 3, Code 2003, is amended to read as follows:

3. a. The first biennial report shall be delivered to the secretary of state between January 1 and April 1 of the first even-numbered year following the calendar year in which a domestic corporation was incorporated or a foreign corporation was authorized to transact business. Subsequent biennial reports must be delivered to the secretary of state between January 1 and April 1 of the following even-numbered calendar years.

b. A filing fee for the biennial report shall be determined by the secretary of state. Not more than five dollars per biennial report collected by the secretary of state under this section shall be treated as repayment receipts, as defined in section 8.2, and shall be used for the operation of the secretary's office. For each state fiscal year, there is appropriated from the general fund of the state to the secretary of state, from moneys not otherwise appropriated, an amount necessary to pay processing fees which are owed to credit card issuers for filing biennial reports by credit card pursuant to section 12.21.

c. For purposes of this section, each biennial report shall contain information related to the two-year period immediately preceding the calendar year in which the report is filed.

Sec. 2. 2002 Iowa Acts, Second Extraordinary Session, chapter 1003, section 24, is repealed.

DIVISION II
FILING REQUIREMENTS AND FEES
UNIFORM COMMERCIAL CODE

Sec. 3. Section 554.9519, subsection 8, Code 2003, is amended to read as follows:

8. TIMELINESS OF FILING OFFICE PERFORMANCE. The filing

1 office shall perform the acts required by subsections 1
2 through 5 at the time and in the manner prescribed by filing-
3 office rule, but not later than two ten business days after
4 the filing office receives the record in question.

5 Sec. 4. Section 554.9520, subsection 2, Code 2003, is
6 amended to read as follows:

7 2. COMMUNICATION CONCERNING REFUSAL. If a filing office
8 refuses to accept a record for filing, it shall communicate to
9 the person that presented the record the fact of and reason
10 for the refusal and the date and time the record would have
11 been filed had the filing office accepted it. The
12 communication must be made at the time and in the manner
13 prescribed by filing-office rule but in no event more than two
14 ten business days after the filing office receives the record.

15 Sec. 5. Section 554.9523, subsection 3, paragraph a,
16 unnumbered paragraph 1, Code 2003, is amended to read as
17 follows:

18 whether there is on file on a date and time specified by
19 the filing office, but not a date earlier than three eleven
20 business days before the filing office receives the request,
21 any financing statement that:

22 Sec. 6. Section 554.9523, subsection 5, Code 2003, is
23 amended to read as follows:

24 5. TIMELINESS OF FILING OFFICE PERFORMANCE. The filing
25 office shall perform the acts required by subsections 1
26 through 4 at the time and in the manner prescribed by filing-
27 office rule, but not later than two ten business days after
28 the filing office receives the request.

29 Sec. 7. Section 554.9525, Code 2003, is amended by adding
30 the following new subsection:

31 NEW SUBSECTION. 5. FEES. Fees collected by the secretary
32 of state under this section shall be treated as repayment
33 receipts, as defined in section 8.2, and shall be used for the
34 operation of the secretary's office.

35 Sec. 8. OFFICE OF THE SECRETARY OF STATE -- DEPOSIT OF

1 FEES INTO THE GENERAL FUND.

2 1. Notwithstanding section 554.9525, and except as
3 otherwise provided in subsection 2, for each fiscal year of
4 the period beginning July 1, 2002, and ending June 30, 2004,
5 the secretary of state shall deposit fees collected by the
6 office of the secretary of state pursuant to section 554.9525
7 in the general fund of the state.

8 2. Subsection 1 shall not apply to any of the following:

9 a. Fees collected by the office of the secretary of state
10 from the filing of termination statements.

11 b. The first \$471,811 collected each fiscal year in fees
12 other than fees collected from the filing of termination
13 statements by the office.

14 DIVISION III

15 EFFECTIVE AND APPLICABILITY DATES

16 Sec. 9. EFFECTIVE DATE. This Act, being deemed of
17 immediate importance, takes effect upon enactment.

18 Sec. 10. RETROACTIVE APPLICABILITY. This Act applies
19 retroactively to and after July 1, 2002.

20 EXPLANATION

21 This bill amends a number of provisions relating to
22 requirements for filing business documents.

23 DIVISION I -- BUSINESS FILING FEES. This division amends
24 several provisions referring to business filings. Code
25 section 12.21 authorizes departments to accept credit card
26 payments and adjust fees in accordance with rules adopted by
27 the treasurer of state. The bill amends Code section
28 490.1622, which establishes fees required for filing biennial
29 reports by domestic and foreign corporations. The bill
30 provides a standing appropriation to the secretary of state
31 from the state's general fund for purposes of paying the
32 processing fees for payments made by credit card. Currently
33 biennial report filing fee rates are established by the
34 secretary of state's office and deposited into the general
35 fund of the state. The bill also provides that not more than

1 \$5 collected by the office shall be treated as repayment
2 receipts and used for the operations of the office. The
3 division also repeals a provision enacted in House File 2627
4 in 2002 (2002 Iowa Acts, Second Extraordinary Session, ch.
5 1003) that authorizes the secretary of state's office to
6 refund fees paid by businesses filing documents with the
7 office.

8 DIVISION II -- UNIFORM COMMERCIAL CODE. This division
9 amends a number of provisions revising article 9 of the
10 uniform commercial code (UCC) enacted in House File 2513 in
11 the 2000 session (2000 Iowa Acts, ch. 1149) and effective July
12 1, 2001. A number of provisions require a filing office,
13 including the secretary of state's office and county
14 recorders, to file records and communicate a refusal to the
15 filer within two business days after the office receives the
16 record. The bill extends that period to 10 business days. It
17 also extends the period for communicating a request for
18 information from 10 to 11 days.

19 The division also provides that certain UCC fees collected
20 by the secretary of state for filing documents are to be
21 treated as repayment receipts and used for the operation of
22 the office. The division also provides that for each fiscal
23 year for the period beginning July 1, 2002, and ending June
24 30, 2004, the office must deposit fees collected by the office
25 into the general fund of the state. There are two exceptions:
26 The office is not required to deposit fees for the filing of
27 termination statements and the office is authorized to retain
28 other fees equal to \$471,811.

29 DIVISION III -- EFFECTIVE AND APPLICABILITY DATES. This
30 division provides that the bill takes effect upon enactment
31 and is retroactively applicable to July 1, 2002.

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