

**Standards Subcommittee  
Meeting Summary  
October 18, 2023**

**Participants**

Ashten Wittrock, Carroll County Recorder  
Janelle Schneider, Adair County Recorder  
Jolynn Goodchild, Plymouth County Recorder

Jayne Schultz, Winneshiek County Recorder  
Mindy Fitzgibbon, Henry County Recorder

**Other Participants**

Sheri Jones, Jones County Recorder  
Katie Carlton, Union Count Recorder  
Phil Dunshee, Iowa Land Records  
Census Lo-Liyong, Iowa Land Records

Nancy Booten, Lee County Recorder  
Stacie Herridge, Story County Recorder  
Kati Ross, Iowa Land Records  
Lisa Long, Iowa Land Records

**Welcome**

A meeting of the ESS Standards Subcommittee was held in person at the ESS office in Johnston.

**July Meeting Summary**

The Subcommittee reviewed the July 19, 2022, meeting summary. Ashten Wittrock made a motion to approve the meeting summary. Janelle Schneider seconded, and the motion was approved.

**Committee Nominations and Appointments**

The Subcommittee received an update on basic rules regarding the membership process. The Subcommittee members consist of 6 district members, they are nominated by the ICRA districts members from the respective members and appointed by the Chair of the ESS Coordinating Committee. Three members are eligible for reappointment, two members are within the first term while one member will not be seeking reappointment. The Subcommittee was asked to help facilitate communication within each district to secure nominations to fill the open positions.

**ESS Treasury Management Update**

The Project Manager provided an update on treasury management services. The process of transitioning accounts from Bank of America to Bankers Trust is proceeding successfully. The Bankers Trust account for the Electronic Services System was set up following the final adoption of the 28E agreement amendment. \$100,000 was initially deposited into the new Bankers Trust account, and thus far, a total of \$450,000 has been transferred. ILR administrative staff completed work on a NACHA file prototype and it was submitted to Bankers Trust for testing. The next phase will require programming to modify the daily NACHA and accounting files. The Bank of America account will be closed by the end of the calendar year.

**MOU Update**

A MOU was signed in July between ESS and ICRA to define the working relationship. The Subcommittee received an update on the MOU progress.

**Recorders Manual**

The Recorders Manual is being updated by many volunteers from the ICRA. The aim of the review process is to produce a comprehensive document that is also user-friendly, concise, and where appropriate, leverages knowledge from different states. This process involves assigning chapters to Recorders (And Deputy Recorders) and setting up virtual meetings to review each chapter.

### **Preparations for 2023 Legislative Session**

ICRA has proposed a possible adjustment to the Trade Name requirements in the Code of Iowa. The proposed adjustment is currently being researched with updates to follow. It is tentatively included in the ISAC legislative agenda.

### **District Meetings**

Census and Lisa will be attending a District 1 meeting on November 15. The two are also planning to attend other District meetings including PRIA LOCAL meetings.

### **ISAC Future Discussion of Fee Policies**

Based on legislative priorities from ISAC, many fees have not been adjusted in many years, and increasingly local government expenses are funded by the property taxpayer. The aim is to explore a modernized fee structure that will cover the cost of providing services and reduce the burden on property taxpayers. ILR will be following the progress of this discussion.

### **Potential legislation on Vital Records**

A proposal to amend the vital records law is being considered. The purpose is to simplify access to public vital records.

### **Legislative Update**

#### **Stakeholder Discussion**

Stakeholder and focus group meetings were held in August to engage users on future updates for the Search application. The ILR Terms of Service was also discussed. Both groups provided valuable feedback that will be included in the planning process. A survey was conducted and 485 people participated.

Two concepts have been advanced to stakeholders for consideration in 2023. First, a concept has been suggested to solidify the authority of ESS and Iowa Land Records to establish a Terms of Service for the Iowa Land Records system. In recent years there has been an increase in attempts to disregard normal usage by outside parties using fake identities or by attempting to circumvent security rules. Changes are being planned to address these concerns, and to strengthen procedures for managing access to the website and applications.

Second, a concept has been advanced to authorize ESS and Iowa Land Records to provide access to information through an API and on a batch basis in limited circumstances. The authorization would be limited to certain types of users or uses which have a legitimate need.

These concepts will continue to be explored with the ILR stakeholder groups.

#### **Smart Contracts Working Group**

Following the passage of the Smart Contract legislation, Iowa Land Records proposed to set up a working group on distributed ledger technology. The idea is to explore the utilization of blockchain technology in the real estate industry. Several stakeholders have expressed interest.

#### **Legislative Engagement**

The Policy Coordinator presented information about training to help county recorders communicate more successfully with state policy makers. This would be intended to help the Recordors demonstrate their knowledge and increase their credibility with their respective legislators. This topic may potentially be included in a future ICRA conference.

## **Policies & Procedures**

### **Technical Updates – Conformity with the 28E Amendment – 1.6 (5), 1.10, 3.2 (2), 3.6 (3)**

A technical amendment to Chapter 1 and Chapter 3 of the Policies and Procedures was presented for consideration. The Chapter included references to the previous 28E agreement structure. With the adoption of the 28E amendment, direct references to the ICRA Executive Board needed to be removed. Under the amended structure, the governing authority for the Electronic Services System is the ESS Coordinating Committee, and the role of the ICRA Executive Board is to appoint the members of the ESS Committee. Jolynn Goodchild made a motion to approve the proposed amendments to Chapter 1 and 3 of the Policies and Procedures. Janelle Schneider seconded, and the motion was approved.

### **Compensation of Members – 1.6 (10)**

A technical amendment to the Compensation section in Chapter 1.6 (10) was presented for consideration. The updated policy would adjust the mileage reimbursement rates to be based on the current IRS optional standard mileage rate. The meal reimbursement rates would continue to reference the State of Iowa Summary Travel Reimbursement Guidelines. Jolynn Goodchild made a motion to approve the proposed amendments to Section 1.6 of the Policies and Procedures. Jayne Schultz seconded, and the motion was approved.

### **New Section 1.14 – User Authentication Policy**

A draft user authentication policy was presented for discussion only. ESS/ILR previously participated in a review of ILR conformity with IRS 1075 security standards. These standards are most applicable to E-Submission services, the infrastructure at our data center, and to our office local area network and devices. Several changes have been made since then including the development of the updated E-Submission application. State tax liens are considered to be confidential taxpayer information prior to recording. The draft authentication policy is being developed in conjunction with the creation of a new user management structure for Iowa Land Records.

### **Bill of Sale - Bargain and Sale – 3.6**

Recently the ILR team received a query concerning a document type called “Bill of Sale”. ILR was asked if this document could be included as a document type in the E-submission. Staff recommended in lieu of creating a new document type that the Subcommittee consider a proposal to amend Chapter 3.6 of the Policies and Procedures. The proposal would require Bill of Sale documents to be mapped and transferred to Iowa Land Records with the document type “Deed.” The recommended practice would be to process the documents as “deed” in E-Submission so that the correct fees would be charged. Recordors could index the documents as a Bill of Sale if they wished. It was also suggested that a future meeting on this topic with the Auditors and Assessors might be beneficial.

A motion was made by Ashten Wittrock that Section 3.6 of the Policies and Procedures be amended to reflect the suggested mapping procedure. It was seconded by Mindy Fitzgibbon and the motion was approved.

### **Process for Refunding Transfer Tax paid in error**

The current practice of refunding transfer tax varies in each county, and some practices may not be consistent with the Iowa Code. It was suggested that the issue be considered further and that it may be appropriate to have a discussion with the Iowa Department of Revenue. No action was taken.

## **Policies and Procedure – Other Technical Changes**

The Subcommittee considered several additional technical corrections to the Policies and Procedures.

### **Formatting – 5.4 (l) f, h, k, n**

A technical amendment to section 5.4 was proposed. These updates relate to several document formatting requirements including page orientation and greyscale images. Greyscale and minor color images are now accepted and processed by the Iowa Land Records E-Submission. The purpose of the update was to reflect current best practices.

### **Smart Contract Reference**

A technical amendment was proposed to correct the Iowa code reference associated with smart contracts. After the smart contract legislation was amended, Iowa Code 554D.103 was replaced with 554E.3A.

### **Document “Decline”**

A technical amendment to Section 5.5 (2) was proposed to change the word that is used when a document does not conform to recording requirements. Instead of the word “rejected”, it would be replaced with “declined.”

The motion to accept the technical corrections was made by Janelle Schneider and seconded by Jolynn Goodchild. The motion was approved.

## **Other Planning for Policies and Procedures**

The Subcommittee was presented with several topics that may be appropriate for future consideration. Some of the topics stemmed from discussions at a recent conference on document formatting standards and the policy to accept “minor variations” from the formatting requirements. Other topics concerned variations in practices which are not addressed in current policy, and also policies that could be strengthened to improve service to customers. The Subcommittee was not asked to take action, and the subject matter was considered for discussion purposes only.

### **Recording Stamp Area**

A draft policy to require a stamp area of not less than 3.75 inches width and 2.5 inches height was discussed. Potentially this could affect the requirement for a 3 inch margin at the top of the first page. A similar policy is currently in place for the surveys and plats document type.

### **Standard Index Legend 3.1, 3.3 (11), 5.1, 5.4 (1) c**

A technical update was presented to add a new definition for a cover page and standard index legend. The draft proposal would permit the use of index legend with a cover page. And there currently is no formal policy for cover pages. Index Legends are currently required for the surveys and plats document type.

### **Cover Page policy**

A technical concept was shared with the Subcommittee members to develop a cover page policy. A new section could be added to Chapter 3 detailing best practices for a cover page template that could be adopted by all the counties.

### **Preparer and Return Information**

Subcommittee members were asked to consider the purpose and benefit of requiring “Prepared By” and “Return To” information, particularly with respect to E-Submission documents. Should these requirements be modified to provide better information to recorders and people who access records?

### **County First Page Concept**

A concept was presented concerning the use of a recorder's cover page (not to be confused with a cover page added by a submitter). The purpose of this first page would not be associated with the process of recording or indexing. Rather, the purpose would be to provide the reader with an "abstract" or "summary" of the document. This next "first" page would be generated after the document is recorded and indexed. It would be added to the document image for archiving, and it would be a part of the public record. The concept is offered by a particular vendor as part of their land records management system. A sample was presented to the Standards Subcommittee from counties in Michigan and Illinois. No action was taken. During the discussion, some members of the Subcommittee felt the concept seemed like a duplicate of the cover page used by submitters.

### **Associated Document References**

A technical update was proposed for section 3.9 Associated Document References, it would require county indexing system to provide for bilateral archiving of Associated Document Reference information and provide for associated references with previously recorded conveyance documents. The Subcommittee noted although document preparers and submitters could include the associated references on the cover page.

### **Parcel Identification Numbers – 3.10**

The Subcommittee received and update on the current policies concerning Parcel ID numbers and discussed the potential benefits of including it in the Recorders index.

### **Temporary Document Restriction – 6.9**

Recently, a revocable trust was recorded at a county Recorder's office contrary to standard practices. Revocable trusts are considered private documents, and the new legal team of a client made a request to have the document removed. The client's attorney petitioned the district court for an order to remove the trust from the public records. Once a document is recorded, it should not be removed except by court order. A draft concept was proposed in chapter 6.9 to allow for the temporary restriction of access pending a formal judgement from a judicial officer. The Subcommittee expressed hesitation about restricting access to records.

### **Easement Images**

In the spring of 2022, the ILR system implemented new procedures for processing images. The purpose of the change was to improve the clarity of recorded and stamped images through the E-Submission service. This process has worked for most documents except for illustrative images attached to easement. Easement images which include photographs and architectural drawings may result in a poor-quality image when reproduced. The project Manager provided this information for discussion purposes including a few images for illustration. Ideas for improving the quality of these images will be explored in the future.

### **Software Development Updates**

ESS has contracted with Lean Techniques to develop a Central Authentication Service (CAS). The service will utilize multi-factor authentication (MFA) to improve security for the ILR applications.

### **Linn County Registrations Renewal Project**

Linn County has approached Iowa Land Records to inquire about leveraging the ESS payment system to support online license renewal transactions. One of their requirements is that they do not wish to maintain any customer payment information in their system. We have examined options and have determined that ILR payment systems (and providers) have the means to support these transactions. ESS will be discussing this with the Coordinating Committee and will also be developing an agreement to define the project. Work could begin in the first quarter of 2023. It is hope that the knowledge received can be used in service

