



**DEVELOP
NEW
POSSIBILITIES**

Annual Report

Published June 30, 2023

IOWA 
LAND RECORDS

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A LETTER FROM IOWA LAND RECORDS



The support of our stakeholders and active users has led to positive developments in 2022. We mean that in both the literal and symbolic way! Through multiple campaigns of research, focus groups, and surveys we have developed relationships with users from various industries to keep them involved in the creation of the next generation of technology to search and electronically submit Iowa Land Records. Soon, individuals and organizations alike can search for land records in the state of Iowa with

FASTER SPEEDS, MORE FLEXIBILITY & CUSTOMIZATION.

Since January 2022, we have...

- Launched a new e-submission application.
- Researched and developed a new search application to launch in mid-2023.
- Increased the proportion of e-submissions.
- Introduced a new Policy Coordinator.
- Reduced paperwork with new legislation on Groundwater Hazard statements.
- Advanced Iowa Land Records systems for future opportunities.

As the Chair of the Electronic Services System Coordinating Committee, I work alongside Electronic Services System (ESS) staff and county recorders from all of Iowa's districts. Together, we balance ourselves with transparency in our processes and maintain accountability on behalf of our communities. Part of this harmony includes welcoming stakeholders to celebrate the milestones we have accomplished throughout the year. Together, we will continue to

DEVELOP NEW POSSIBILITIES!

With dedication and gratitude,

Nancy Booten

Chair of Electronic Services System Coordinating Committee

IOWA LAND RECORDS HOW IT WORKS

The Iowa Land Records system has achieved significant milestones in its development. In 2005 it became the first statewide land records system in the US with the operational launch of its website. Throughout the years, ILR furthered its advancements by becoming the first statewide electronic recording system and implementing a comprehensive redaction system. Integration agreements with national e-recording companies were also established. Notably, ILR focused on improving user interactions and functionality by developing a new customer interface. In 2023, the introduction of SEARCH 2.0 has brought together Search and E-submission into a single platform, enhancing the user experience and system capabilities. These accomplishments solidify ILR's pioneering role in statewide electronic recording and land records management in the United States.

23
MILLION
RECORDS

23 million public records reside on Iowa Land Records.

60%
DOCUMENTS

60% of all land records in Iowa were recorded electronically.

4
MILLION
SEARCHES

There are over 4 million searches in Iowa Land Records each YEAR.

HOW DO RECORDERS USE IOWA LAND RECORDS?

- Reviewing electronically submitted documents for local recording – counties assign the recording reference number and recording time.
- Transferring unaltered documents to Iowa Land Records is a core responsibility of County Recorders.
- Transferred documents must be complete & include index, image, associated references, parsed legal descriptions, parsed party names, and in the future parcel ID numbers.
- Complete documents should be transferred to ILR within 72 hours of recording.
- All documents are checked for personally identifiable information before becoming public on Iowa Land Records.
- Retrieving documents redacted by Iowa Land Records for the local county archive.

THE PARTNERSHIP HOW IT WORKS

GOVERNANCE

ESS was established under Chapter 28E to provide Iowa counties with an electronic services system for land record information, electronic recording and other services as amended by 2021 Iowa Acts, Chapter 126, Section 2. See also, https://iowalandrecords.org/wp-content/uploads/2022/01/SOS-Filing_28E.pdf

Iowa Land Records is governed by...

- Electronic Service System (ESS) Coordinating Committee**

The committee was established to govern ESS and coordinate efforts to deliver services and information through ESS, and to make policy regarding the operations of ESS. The committee is comprised of recorders and stakeholders.

- Subcommittees (Finance, Standards & Communications)**

Each committee is composed of members from the six districts of the statewide Iowa County Recorder's Association. Committees meet monthly or quarterly and are open to the public.

To see a complete list of committee members and ESS staff, go to "[Meet Our Team](#)" Iowa Land Records website.

TRANSPARENCY

MEETING NOTIFICATIONS

Click on this [link](#) to sign-up for email notices for our next committee meetings.

MEETING REPORTS

Click on this [link](#) to see all of our meeting reports and agendas on our public accountability in reporting page.

THE PARTNERSHIP HOW IT WORKS

ESS & COUNTIES

ESS is a model for the collective local governance of a statewide system. The ESS Coordinating Committee has the authority under Iowa law and the ESS 28E agreement to establish standards, policies, and requirements for the delivery of electronic services, and all member counties are required under the 28E agreement to comply with the policies established by ESS.

The scope of these policies includes but is not limited to the following:

- **The format, attributes and organization of data** and images of recorded documents in ESS and member systems
- **Business rules and requirements** for the management and maintenance of data and images of recorded documents in ESS and member systems
- **Specifications and procedures for the transfer of data** and images from local county systems to the Electronic Services system including Iowa Land Records
- **Specifications and procedures for the exchange of information** and business processes associated with the electronic filing and recording of documents through ESS and the Iowa Land Records E-Submission service

See Section 331.604, subsection 3b of the Iowa Code and the ESS Policies and Procedures published at <https://iowalandrecords.org/accountability-in-reporting/>

The 28E agreement can be found under filing number: M514302, published at <https://sos.iowa.gov/search/28ESearch.html>

THE PARTNERSHIP

LAND RECORDS MANAGEMENT SYSTEM SERVICE PROVIDERS



(and other partners not listed)

The success of Iowa Land Records relies on a unique relationship between the county recorders' land records information system and multiple service providers. Recordings completed at the recorder's office are transferred to Iowa Land Records (ILR) through an API provided by ESS to the service providers. In conjunction with the introduction of Search 2.0, providers are being required to update their systems to integrate with ILR.

ESS has established and published the Electronic Services System API (ESS API) which provides the form and method of exchanging information between ESS and any service provider system.

ESS is adding two new application programming interfaces (APIs) for e-submission and county upload functions. In building these new assets, we have transformed the Iowa Land Records (search and e-submission) site into a more advanced system that will open new opportunities for the future.

Business and government functions performed through the ESS API by a service provider and service provider system to a county include:

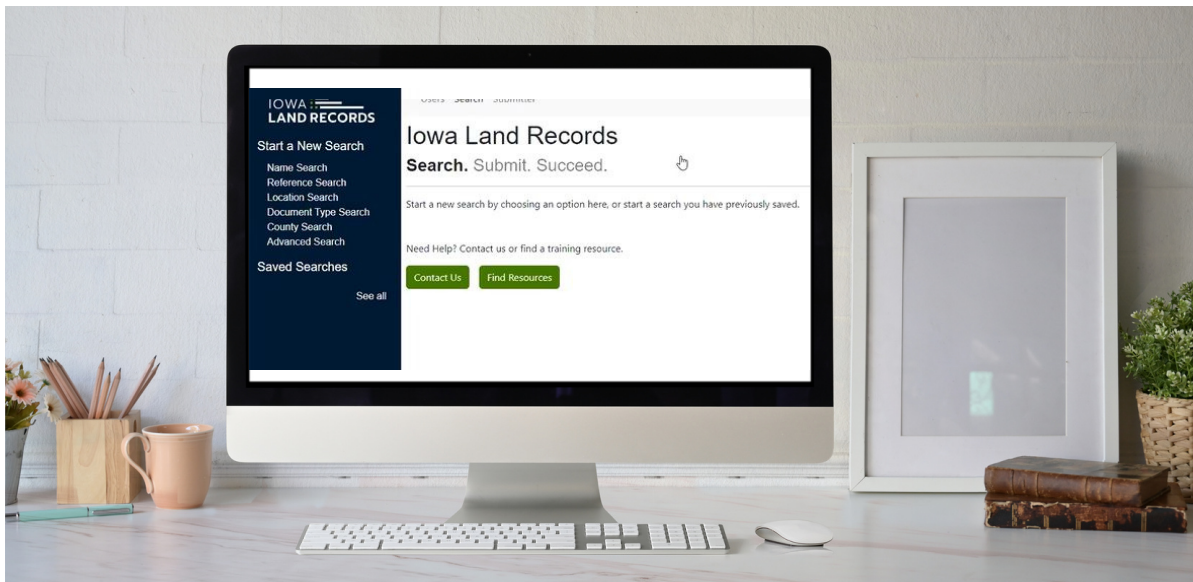
- The transfer of correctly formatted and mapped data and images associated with recently recorded documents to ESS and Iowa Land Records database application and image repository.
- The transfer of data associated with a Fully Indexed Recorded Document to the ESS and Iowa Land Records database application and image repository. Counties are required to transfer all recorded document information which is archived in an electronic format.
- The transfer of data updates for a Fully Indexed Recorded Document to the ESS and Iowa Land Records Portal application.
- The transfer of corrected replacement images associated with a Completed Recorded Document or a Fully Indexed Recorded Document to the ESS and Iowa Land Records Portal application.

[Contact us](#) to see an illustration of a complete service agreement.

DEVELOPING ASSETS

COLLABORATION

& GROWTH



By the start of 2022, and with the development stages of the new e-submission platform coming to a close, it was clear that Electronic Services System needed to also develop a new search application and make updates to coordinating policy.

INTRODUCING

IOWA LAND RECORDS
SEARCH
2.0

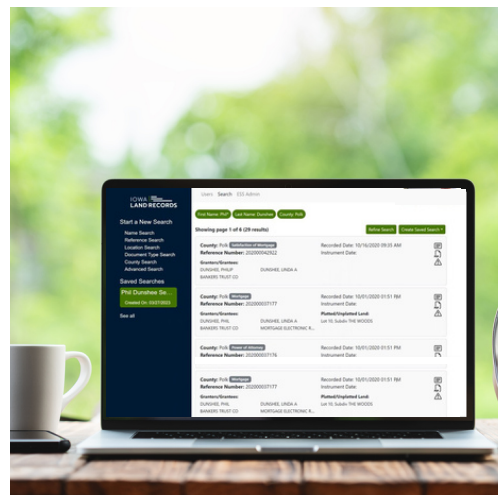


Fig 1. Graph showing the industries represented in the survey conducted for feedback on creating the next generation of Iowa Land Records search application.

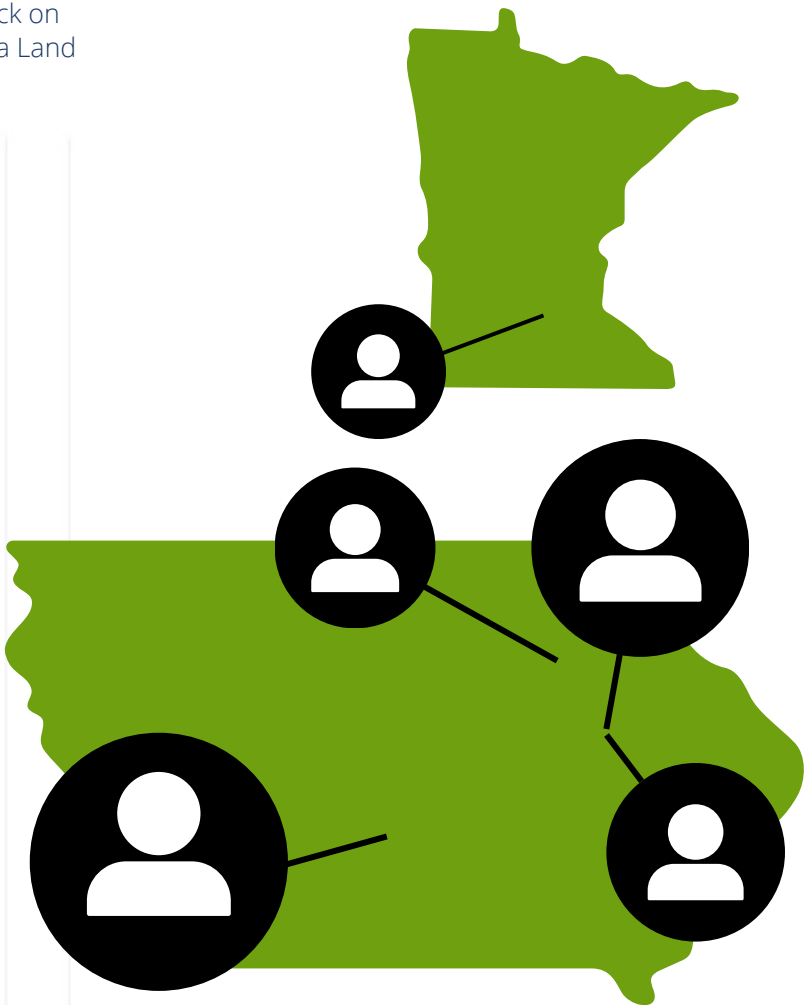
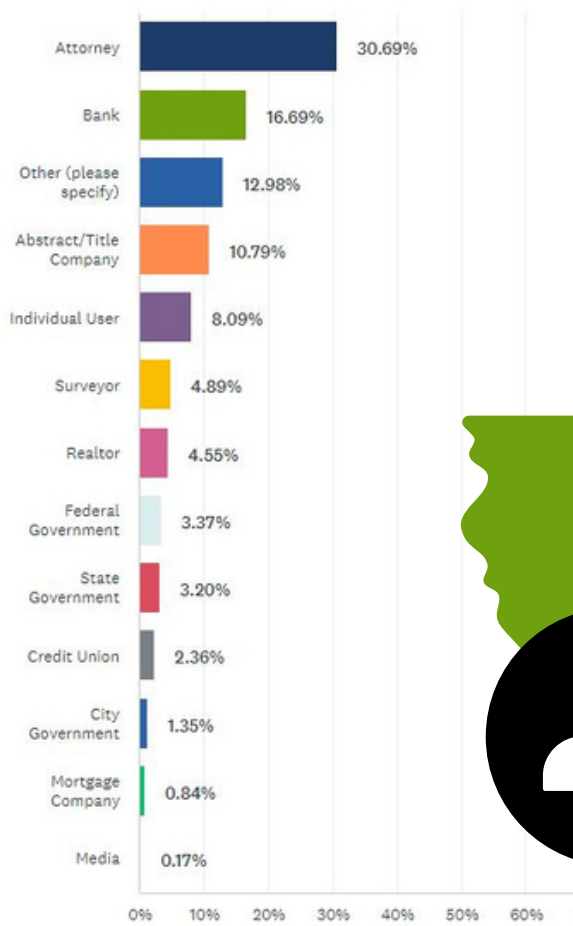


Fig 2. Representation of where focus group participants were from.

THE PROCESS

DEVELOPING RELATIONSHIPS

Who would know the lay of the land best? The people who *use* Iowa Land Records!

Therefore, to get the best insights and welcome open dialogue, we invited current search users and other stakeholders to participate in eight rounds of surveys and questions regarding the user experience of record searching.

THE FEEDBACK

In the survey below, users expressed the top categories they base searches on. From that insight, and analysis of recent search activities, ESS developed a search strategy that would allow users to search based on some of the top categories plus an advanced search feature.

DEVELOPING RELATIONSHIPS

Fig 1. Survey results showed us the top preferred categories participants use when conducting a land record search in Iowa.

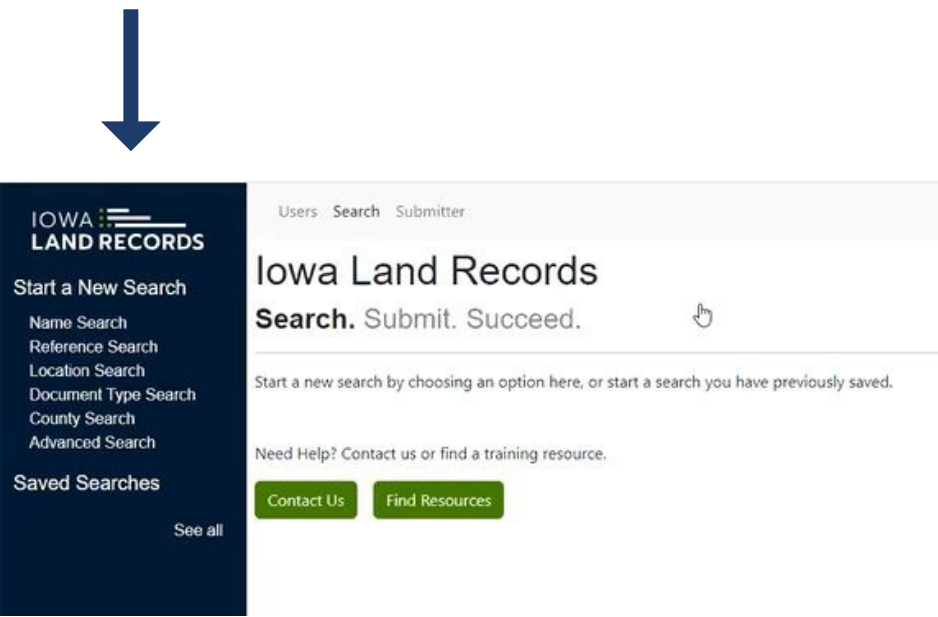
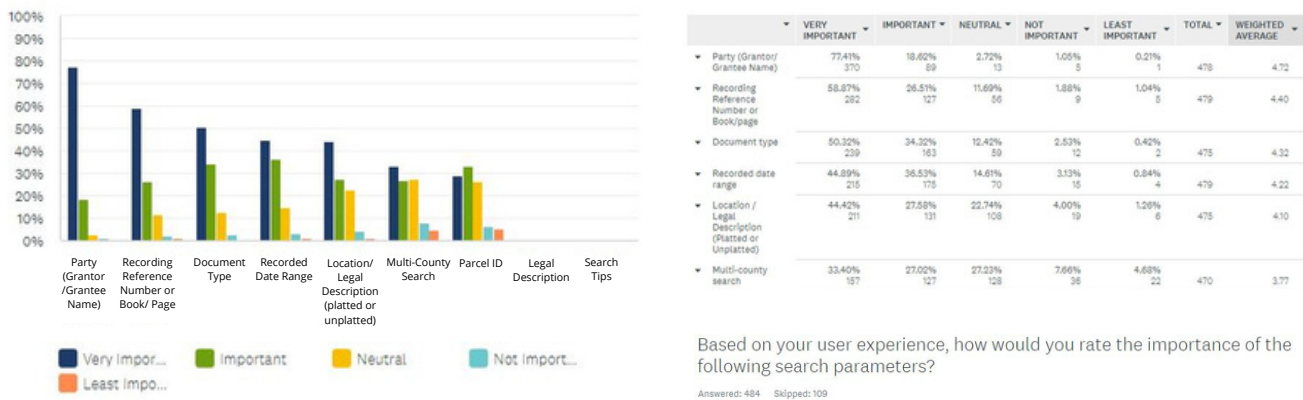


Fig 2. This is a screenshot of the new search application. The vertical menu on the left-hand side gives users the option to base the search on Name, Reference, Location, Document Type, County, or Advanced to provide customization as reflected in the feedback received through focus groups and surveys.

THE FEEDBACK

FREQUENCY OF USE

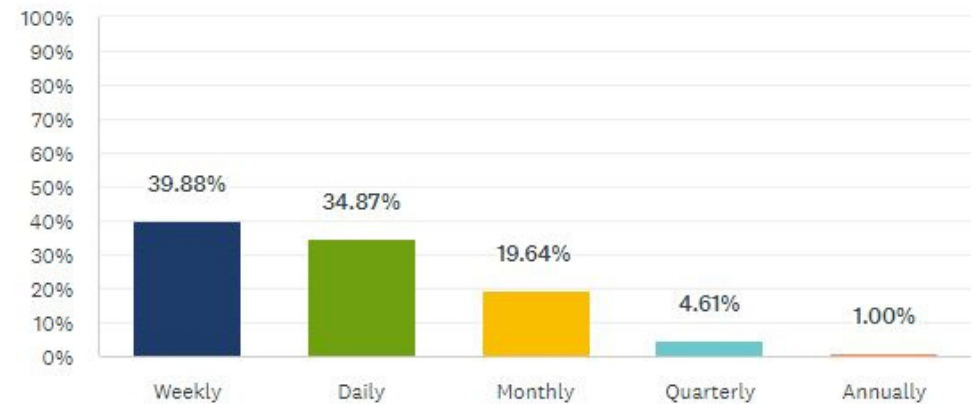


Fig 1. The frequency of use illustrates how often users log onto Iowa Land Records

MAIN BENEFITS OF IOWA LAND RECORDS

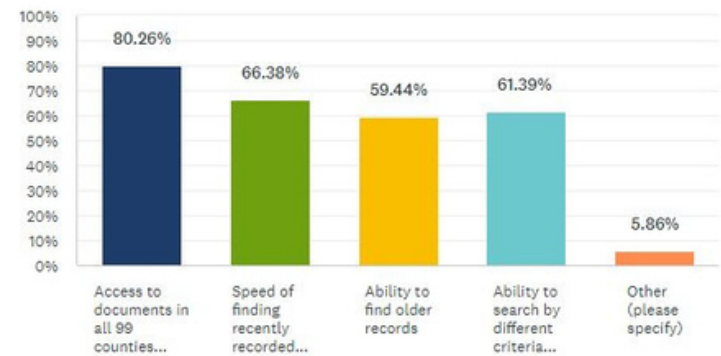


Fig 2. Survey participants choose what aspects of Iowa Land Records they thought were the most beneficial based on a list of choices.

Current policy limits users to 120 document views per day. Based on your business model, this limit is -

Answered: 469 Skipped: 124

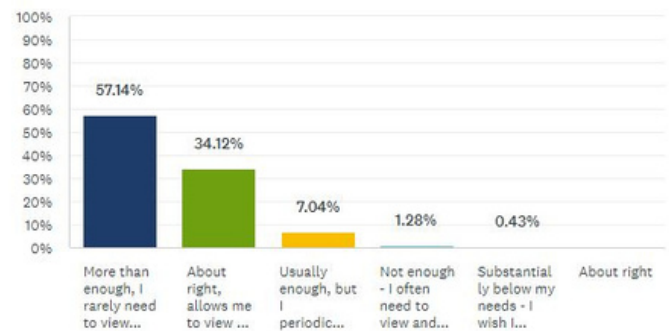


Fig 3. Participants were asked if the current search limit on documents (120 documents per day) was reasonable.

THE FEEDBACK

DEVELOPING RELATIONSHIPS



Throughout the development process, we conducted five focus groups to demonstrate a live look at the new search application. We had open table discussions throughout each demonstration, which were held online and in the ESS offices. Overall, we learned that people wanted the following features...

FASTER SPEEDS

CUSTOMIZATION

MORE PREVIEW INFO

A MORE MODERN LAYOUT

*As of June 2023, the new Search application is being introduced to users in a "soft" rollout. Studies and reactions to the new application guided us to the decision to welcome the new features to users gradually.

BUILDING ASSETS

NEW USER TERMS OF SERVICE

With system upgrades to the search and e-submission services since the start of 2022, it became clear that ESS needed to update the Terms of Service and overall policy of its systems. With this update, the privacy policy is now included in the new Terms of Service and requires all users to agree to the updated terms.

Read the Terms of Service [HERE](#).

NEW SETUP

Both search and e-submission applications are focused on serving organizations.

NEW ADMIN

Organizations will manage and be responsible for their users.

SECURITY

New password requirements and two-factor authentication was implemented.

STAKEHOLDER OUTREACH

Stakeholder representatives were actively consulted about administrative and user management restructuring.

CITIZEN ACCESS

Provisions have been made to enable citizens to access their own records without cost.

DEVELOPING ASSETS

CUSTOM ELECTRONIC PAYMENT- COUNTY AGREEMENT

An Iowa county may soon be introducing an online service enabling registration and license renewals with the Department of Natural Resources (DNR). To ensure secure and compliant payment processing for these online applications and services, the county sought the assistance of the Electronic Services System (ESS). ESS currently operates a payment services system for online and point-of-sale services, possessing the necessary capabilities to provide on-demand credit and debit card payment services for county applications.

Following discussions and with approval from the ESS Coordinating Committee, ESS developed an online customer payment system that could be integrated with any county online service. The payment system is on-demand and relieves the county of the responsibility and risk associated with the handling of customer payment information. The cost of providing the payment service will be recouped through a processing fee charged to online customers.

This milestone highlights the growing capabilities of ESS services to its member counties. For more information, contact support@clris.com.



FINANCIALS

E-SUBMISSION TRENDS

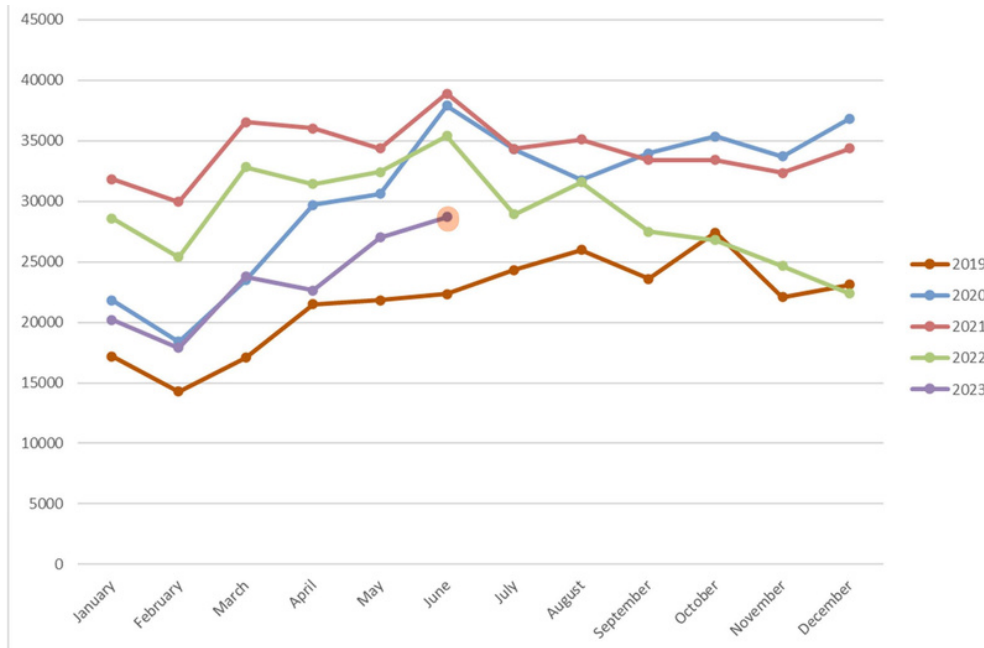


Fig 1. This graph illustrates economic trends on electronic submissions from 2019 through 2022. This information is also reflected in the financial report below.

ECONOMIC TRENDS

Funding for the operation and maintenance of the Iowa Land Records system and ESS is primarily associated with activity in the real estate industry. When the industry is growing and real estate transactions are increasing, activity in the recorder's office follows. When the real estate industry contracts, recording activity declines and so does recording fee income.

With the onset of the COVID-19 pandemic, electronic recording activity increased, and that activity was sustained through 2021 as the economy moved forward with stimulus funding and continued low-interest rates. ESS put those additional resources in reserve for the purpose of making future investments in software. Activity slowed in 2022 and fell to 2019 levels in the second half of the year as the effects of inflation, increasing interest rates, and changes in the real estate market were felt.

(continued on page 16)

FINANCIALS

(CONTINUED) ECONOMIC TRENDS

Current economic and recording activity trends offer reasons for cautious optimism for the second half of 2023. Peak activity in the real estate industry can be observed in June through August. Recording activity increased in May, and if activity is sustained it could lead to a favorable position for the remainder of the year.

To a lesser extent, funding for Iowa Land Records and ESS is also derived from the operation of a point-of-sale system used in most county recorder offices. Individual counties also contribute through a reimbursement model, whereby local counties reimburse ESS for a portion of maintenance services related to integrating their land records management systems with ESS. (See "Cost Sharing Incentive" below).

COST SHARING INCENTIVE

In fiscal year 2015, the ESS Coordinating Committee established the County Project Assessment Cost Sharing Program. Prior to the creation of the program, counties were fully responsible for the cost of annual maintenance agreements with their local land records management system vendors. It was proposed that a portion of the net income from E-Submission be used to help pay for these maintenance costs.

Cost-sharing is based on a formula which measures the ratio of electronic recording in each county. Counties with a higher ratio of electronic recording receive a greater portion of the cost sharing budget.

Every county receives a cost sharing credit, but as an incentive to promote the use of E-Submission services, counties which have a higher level of electronic recording activity receive more.

In calendar year 2022, \$160,453.00 in cost sharing credits were granted to the 99 counties. The amount budgeted for cost share credits in calendar year 2023 increased to \$170,000.00.

Each county can increase its cost-sharing credit by continuing to promote electronic recording in their county. See the ratio report [here](#).

FINANCIALS

ESS REVENUE

Financial Analysis	Year Ending 12/31/2023		
	2022	2021	2020
Total Revenue	\$ 41,519,072	\$ 39,760,744	\$ 31,238,129
Total Expenses	\$ 41,306,941	\$ 39,158,044	\$ 30,481,609
CHANGE IN NET POSITION	\$ 212,131	\$ 602,700	\$ 756,520
NET POSITION, beginning	\$ 2,537,232	\$ 1,934,532	\$ 1,178,012
NET POSITION, ending	\$ 2,749,363	\$ 2,537,232	\$ 1,934,532

In terms of financial performance, total revenues experienced a 4.4% increase, equivalent to \$1,758,328 in 2022. This growth primarily resulted from higher revenue generated by the POS payment system. On the other hand, expenses rose by 5.5%, amounting to \$2,148,697 in 2022, primarily due to increased distributions from the POS payment system.

The acceptance of recording fees and point-of-sale fees on behalf of Iowa counties, and the distribution of those fees back to the counties, represents the bulk of all ESS transactions. In 2022, ESS received about \$34.7 million in recording fees, and all those funds were passed back to the counties via ACH transfers. Similarly, ESS received about \$4.7 million in fees for point-of-sale services in 2022, and all those funds were passed back to the counties.

When viewed from operational metrics, the total number of electronically filed documents processed decreased by 14.48%, representing a decline of 60,282 documents, and a total of 355,895 documents processed in 2022.

However, the proportion of documents filed electronically statewide increased from approximately 56% in 2021 to 60% in 2022. This decrease in overall filing can be attributed to inflationary pressures impacting the economy and higher interest rates affecting the market.

Despite the challenges faced in document processing and the broader economic environment, ESS remains committed to providing efficient electronic services and leveraging technology to enhance the operation of county land records information system. Efforts are underway to adapt to changing market conditions and continue serving stakeholders effectively.

Learn More

Annual audits are filed with the State Auditor and are posted on the Iowa Land Records "[Accountability In Reporting](#)" webpage.

Please note, the 2022 Audit is expected to be filed and published in August 2023.

CREATING A NEW COLLABORATION MODEL

POLICY COORDINATOR & COMMUNICATIONS COORDINATOR

In 2022, ESS and the Iowa County Recorders Association (ICRA) adopted a Memorandum of Understanding (MOU) to collaborate and share resources for policy development and communications activities. The MOU specifies how the organizations will work together and establishes a framework for allowing ESS to provide identified services to ICRA. ICRA provides reimbursement to ESS for the cost of these services on an actual cost basis.

In addition to the Project Manager, there are two positions on the ESS team who primarily contribute to this collaboration: the Policy Coordinator and the Communications Coordinator.

POLICY COORDINATOR

Census Lo-liyong serves as the ESS Policy Coordinator. She is responsible for researching and developing policy proposals, assists with the development of a legislative agenda, and works as a lobbyist – acting as an advocate and maintaining a professional presence with public officials and stakeholders. Under the MOU she is able to perform these functions for ICRA as well as ESS.

COMMUNICATIONS COORDINATOR

Kristen Delaney-Cole serves as the ESS Communications Coordinator. She is responsible for all marketing and communications activities including the development of content and the application of various marketing tools and channels including bulk email, website management, social media, and various publications. Under the MOU she has been assigned to assist with specific communications projects for ICRA including the ICRA directory, map and brochure.

The Electronic Services System and Iowa County Recorders Association have both gained experience with this new arrangement and will continue to grow and evolve together.

LEGISLATION

GROUNDWATER HAZARD STATEMENT

Recap of 2022 Groundwater Hazard Legislation

In 2022, ILR achieved significant progress by advancing legislation concerning groundwater hazard statements. This legislation introduced a requirement for filing a groundwater hazard statement only if a property exhibits a reportable condition. However, if there are no reportable conditions, sellers may now simply state in the conveyance document that no such conditions exist. Notably, recorders do not receive compensation for recording groundwater hazard statements.

Since the enactment of this legislation, ILR has observed a notable reduction in the number of statements being filed. This achievement, referred to as "paper reduction," has several advantages. Firstly, it allows recorders to allocate their time more efficiently toward addressing other important services. Additionally, it saves time for sellers and document preparers.

The groundwater hazard legislation has been widely regarded as a successful initiative, benefiting both recorders and stakeholders alike. Its implementation has not only streamlined the process but also improved resource allocation, ultimately enhancing ILR's services and operations.

BACK THE BLUE - REDACTION

In 2021, the Back the Blue law was passed, intended to provide benefits and protections for Iowa law enforcement officials. Current or former peace officers, as well as other qualifying parties defined in section 801.4 of the Iowa Code, may request that their name be redacted from electronic documents recorded in any Iowa county.

Forms were created for the counties to use when a Back the Blue paper work redaction was requested. Since January 2022, 145 people requested this service, resulting in over 1,400 redacted documents.



LEGISLATION

HIGHLIGHTS

Iowa Land Records (ILR) maintains an extensive public records database, encompassing land records and various legal documents. However, in recent years, ILR has encountered challenges stemming from unauthorized access attempts by external parties employing fraudulent identities or attempting to bypass security protocols. To address these concerns and fortify access management procedures for our website and applications, ILR is in the process of implementing necessary changes. It is important that these measures be reinforced with state policy.

Recognizing the importance of engaging stakeholders, ILR conducted a comprehensive stakeholder process to gather feedback and garner support for new legislation. Specifically, ILR advocated for legislation to affirm its authorization to control who has access to the Iowa Land Records system and how it is used. This proposed change aimed to enhance security and ensure proper usage of the ILR platform.

Additionally, Iowa Land Records advanced proposals to make better use of technology to provide access to information.

Examples include the ability to transfer data to other public agencies on a "batch basis" such as providing copies of groundwater hazard documents to the Department of Natural Resources, or transferring anonymous aggregated data on real estate transactions to partners in the real estate industry. These initiatives aim to provide stakeholders with valuable information and market insights.

While the legislation described above did not progress in 2023, it may be revisited in 2024. ESS and Iowa Land Records are committed to using technology to better serve our customers and stakeholders throughout the real estate industry.

LOOKING AHEAD

WHAT'S NEXT FOR IOWA LAND RECORDS

As we look ahead to the remainder of calendar year 2023, 2024 and the future beyond, it is important to examine trends that will have an impact on the delivery of services. The ESS and Iowa Land Records team are interested in new technologies and in particular the technology investments being made in the real estate industry. Participation in national organizations such as the Property Records Industry Association (PRIA) and the Mortgage Industry Standards Maintenance Organization (MISMO) provides ESS with a good view of some of these developments.

Not long ago the Project Management Institute hosted a presentation titled "The six technologies every business leader must know how to use." It was presented by the futurist Steve Brown. According to Steve the six technologies to know are: 5G networks and satellites, the "internet of things" and sensors, autonomous machines, augmented reality, artificial intelligence and Blockchain technology. In any of these categories, new methods and ways of working are being developed to solve problems, or provide better and more efficient services and products. Some of them can be very disruptive to the current ways of doing things.

We know that MISMO and the mortgage industry are working to use Blockchain technology to reshape mortgage origination and mortgage servicing processes. They are actively looking for ways to reduce reliance on intermediate parties and their associated costs. We are also aware that some realtors are preparing to use blockchain to facilitate real property transactions. This can potentially affect many of the property services administered by the county government.

These advancements beg the question, what can, or should, the county or Electronic Services System be doing? We believe part of the answer is to use technology to provide better and more consistent services to the customer, and in some cases, it may mean exploring the use of one or more of these six technologies to do so. ESS is looking to the future, with an eye toward demonstrating that advancements in service delivery are not limited solely to the private sector. We look forward to working with county officials and state policy makers in this endeavor.



MISSION

Connecting the public to recorded real estate documents and simplifying document submission with our online service.