Local Government Committee

HB 2459

Brief Description: Creating the uniform real property electronic recording act.

Sponsors: Representatives Kelley, Ross and Simpson; by request of Secretary of State.

Brief Summary of Bill

- Adopts the Uniform Real Property Electronic Recording Act, establishing the definitions, standards, procedures, and authority needed by county auditors related to the implementation of a system for the recording, storage, and transmission of documents existing in electronic form.
- Authorizes the official recording of an electronic document and the acceptance of a legally required signature, notarization, verification, or acknowledgment when received electronically in accordance with specified requirements.
- Requires the Secretary of State to create an "E-Recording Standards Commission" to review electronic recording standards and to make recommendations regarding the implementation of standardized rules for such recording.

Hearing Date: 1/15/08

Staff: Lyset Cadena (786-7291).

Background:

Uniform Real Property Electronic Recording Act

The Uniform Real Property Electronic Recording Act (URPERA) is the product of the National Conference of Commissioners on Uniform State Laws (NCCUSL), an organization that authors and promotes uniform, comprehensive statutory frameworks intended for nationwide adoption pertaining to many areas of law where national uniformity is deemed beneficial.

In its prefatory note to the URPERA, the NCCUSL explains:

"The Uniform Real Property Electronic Recording Act was drafted to remove any doubt

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about the authority of the recorder to receive and record documents and information in electronic form. Its fundamental principle is that any requirements of state law describing or requiring that a document be an original, on paper, or in writing are satisfied by a document in electronic form. Furthermore, any requirement that the document contain a signature or acknowledgment is satisfied by an electronic signature or acknowledgment. The act (URPERA) specifically authorizes a recorder, at the recorder's option, to accept electronic documents for recording and to index and store those documents."

Washington Electronic Authentication Act

The Washington Electronic Authentication Act (chapter 19.34 RCW) creates standards and procedures for the use of digital electronic signature technology in commercial transactions. The act authorizes the Secretary of State to establish rules and procedures governing the use of electronic signatures in order to ensure the authenticity and reliability of electronic messages.

Duties and Authority of County Auditors

The County Auditor is responsible for the recoding of specified documents required by law to be part of the public record kept by a county. The documents that must be recorded by a county auditor include judgements, liens, deeds, mortgages, and many other categories of documents pertaining to property ownership and real estate transactions. State law specifies requirements that must be met by an auditor when exercising his or her recording duties and specifically authorizes an auditor to record document in electronic format.

Summary of Bill:

The adoption of the Uniform Real Property Electronic Recording Act creates a new chapter in the Revised Code of Washington creating the definitions, standards, procedures, and authority needed by county auditors for the implementation of a system for the recording, storage, and transmission of documents existing in electronic form.

County auditors are provided with the explicit authority needed for the official recording and transmission of an electronic document and the acceptance of a legally required signature, notarization, verification, or acknowledgment when received electronically in accordance with specified requirements.

The Secretary of State is required to create an E-Recording Standards Commission to review electronic recording standards and make recommendations regarding the implementation of electronic recording standards. A majority of the commission must be county auditors or recorders, but may also include treasurers, assessors, land title company representative, escrow agents, mortgage bankers, and others whom the Secretary of State deems appropriate.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.