# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

# **State Government, Elections & Information Technology Committee**

## **SB 6057**

**Brief Description**: Concerning the recording standards commission.

**Sponsors**: Senators Kuderer, Hunt, Zeiger and Takko.

### **Brief Summary of Bill**

- Establishes the Recording Standards Commission in place of the Secretary of State's Electronic Recording Standards Commission (ERSC) to review and make recommendations related to all real estate recording standards.
- Grants rulemaking authority to the Secretary of State to provide for uniform recording of documents in cooperation with the Recording Standards Commission.

**Hearing Date**: 2/7/18

Staff: Travis Yonker (786-7383).

### **Background:**

County auditors are responsible for recording specific documents to be part of the public record kept by each county. The documents that must be recorded by a county auditor include judgments, liens, deeds, mortgages, and various other categories of documents related to property ownership and real estate transactions.

In 2008 the Uniform Real Property Electronic Recording Act (URPERA) became law, allowing county auditors to receive and record documents in electronic form. As part of URPERA, the Electronic Recording Standards Commission (ERSC) was created by the Secretary of State (Secretary) to review electronic recording standards and make recommendations for rules to implement URPERA.

House Bill Analysis - 1 - SB 6057

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The ERSC may include a variety of stakeholders, including assessors, treasurers, title company representatives, escrow agents, mortgage brokers, the State Archivist, and any other party the Secretary deems appropriate.

In addition to the recommendations of the ERSC, the Secretary was required to consider the following issues in adopting, amending, or repealing rules to implement URPERA:

- the standards and practices of other jurisdictions;
- the standards set by national standard-setting bodies;
- the views of interested persons and governmental entities;
- the needs of Washington's diverse counties; and
- standards requiring adequate information security protection.

Based on the ERSC's recommendations, and the additional considerations described above, the Secretary implemented administrative rules related to electronic recording, which became effective in 2013.

#### **Summary of Bill:**

The ERSC is newly established as the Recording Standards Commission (Recording Commission), and will be tasked with reviewing all recording standards generally, including electronic recording standards. The Recording Commission will make recommendations on appropriate administrative rules related to the recording standards. In addition to the stakeholders that made up the ERSC, county surveyors are expressly added as a class of stakeholders that may be part of the Recording Commission.

The Secretary will consider the following additional issues in adopting, amending, or repealing rules to promote harmony with standard practices of recording offices in other jurisdictions:

- standards requiring adequate information security protection of all documents, including electronic documents:
- standards for the certification of recorded documents including imaged paper documents or documents received in an electronic format; and
- standards on the documentation and recording of boundary line adjustments for real property.

**Appropriation**: None.

Fiscal Note: Available.

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