SUBSTITUTE FOR HOUSE BILL NO. 6296

A bill to amend 2010 PA 123, entitled "Uniform real property electronic recording act," by amending sections 3 and 4 (MCL 565.843 and 565.844), section 4 as amended by 2018 PA 364, and by adding section 5a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 3. (1) If a law requires as a condition for recording that a document be an original, be on paper or another tangible medium, or be in writing, the requirement is satisfied by an electronic document.
- 5 (2) If a law requires as a condition for recording that a6 document be signed, the requirement is satisfied by an electronic7 signature.
- 8 (3) A requirement that a document or a signature associated



- 1 with a document be notarized, acknowledged, verified, witnessed, or
- 2 made under oath is satisfied if the electronic signature of the
- 3 person authorized to perform that act, and all other information
- 4 required to be included, is attached to or logically associated
- 5 with the document or signature. A physical or electronic image of a
- 6 stamp, impression, or seal need not accompany an electronic
- 7 signature.
- 8 (4) This Except as provided in section 5a, this section does
- 9 not require that a register of deeds accept electronic documents
- 10 for recording.
- 11 Sec. 4. (1) A-Except as provided in section 5a, a county
- 12 register of deeds who implements any of the functions listed in
- 13 subsection (2) shall do so in compliance with any standards
- 14 established by the electronic recording commission.
- 15 (2) A county register of deeds may do any of the following:
- 16 (a) Receive, index, store, archive, and transmit electronic
- 17 documents.
- 18 (b) Provide for access to, and for search and retrieval of,
- 19 documents and information by electronic means.
- 20 (c) Convert paper documents accepted for recording into
- 21 electronic form.
- (d) Convert into electronic form information recorded before
- 23 the county register of deeds began to record electronic documents.
- 24 (e) Accept electronically any fee or tax that the county
- 25 register of deeds is authorized to collect.
- 26 (f) Agree with other officials of a state or a political
- 27 subdivision of a state, or of the United States, on procedures or
- 28 processes to facilitate the electronic satisfaction of prior
- 29 approvals and conditions precedent to recording and the electronic

- 1 payment of fees or taxes.
- 2 (3) A county register of deeds who accepts electronic
- 3 documents for recording shall continue to accept paper documents
- 4 for recording as authorized by state law. The county register of
- 5 deeds shall place entries for both types of documents in the same
- 6 index.
- 7 (4) A Except as provided in section 5a, a county register of
- 8 deeds shall only accept electronic documents for recording from a
- 9 person with which the county register of deeds has entered into an
- 10 agreement establishing a verified transactional relationship.
- 11 (5) This act does not invalidate electronic documents recorded
- 12 under this act, the uniform electronic transactions act, 2000 PA
- 13 305, MCL 450.831 to 450.849, or the federal electronic signatures
- 14 in global and national commerce act, 15 USC 7001 to 7031, before
- 15 the establishment of standards under this act by the electronic
- 16 recording commission.
- 17 Sec. 5a. (1) During the time that this section applies, a
- 18 register of deeds shall accept electronic documents for recording.
- 19 If a register of deeds does not have the equipment to accept an
- 20 electronic document, the register of deeds shall accept for
- 21 recording a tangible copy of an electronic document properly
- 22 notarized under the Michigan law on notarial acts, 2003 PA 238, MCL
- 23 55.261 to 55.315.
- 24 (2) During the time that this section applies, a register of
- 25 deeds need only act in substantial compliance with this act and any
- 26 standards established by the electronic recording commission.
- 27 (3) During the time that this section applies, a register of
- 28 deeds shall deem all financial institutions and all title insurance
- 29 companies or their employed or contracted settlement agents as

- 1 covered by an agreement establishing a verified transactional
- 2 relationship for purposes of section 4(4). The register of deeds
- 3 may ask the financial institution or title insurance company for
- 4 verification of a notary's employment or contractual association.
- 5 (4) A financial institution shall accept a document or
- 6 electronic document recorded by a register of deeds under this
- 7 section.
- 8 (5) This section applies after April 29, 2020 and before
- 9 January 1, 2021.
- 10 Enacting section 1. This amendatory act does not take effect
- 11 unless Senate Bill No. 1187 of the 100th Legislature is enacted
- 12 into law.

