



**House
Legislative
Analysis
Section**

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RECORDING REQUIREMENTS

House Bill 5858 (Substitute H-3)
First Analysis (9-12-96)

Sponsor: Rep. Beverly Hammerstrom
Committee: Local Government

THE APPARENT PROBLEM:

A county register of deeds is responsible for keeping and making available to the public land ownership records. Representatives of registers of deeds have requested legislation that would put into statute new standards for documents submitted to them so that they could better make use of new record keeping technologies, such as scanners and optical disk imaging. Such new standards would ensure that real estate records are clear and legible, that they are clearly identified as to type of document, that they are easily reproducible, and that they are in a format that allows the use of new computer-based technologies. New standards for documents would allow registers of deeds to carry out their essential duties more efficiently and effectively, they say.

THE CONTENT OF THE BILL:

The bill would amend the Revised Judicature Act to establish a new set of requirements for documents or instruments being filed with the county register of deeds. The bill specifies that an instrument executed after the bill's effective date would have to comply with the following requirements:

- have a margin of unprinted space that is at least two-and-one-half inches at the top of the first page and at least one-half inch on all remaining sides of each page;
- have a single-word statement identifying the type of document on the first line of print;
- be electronically, mechanically, or hand printed in ten-point type or its equivalent;
- be legibly printed in black ink on white paper that is not less than twenty-pound weight;
- be not less than eight-and-one-half inches wide and eleven inches long or more than eight-and-one-half inches wide and fourteen inches long; and

-- contain no attachment that was less than eight-and-one half inches wide and eleven inches long or more than eight-and-one-half inches wide and fourteen inches long.

These requirements (as is true of current requirements) would not apply to instruments executed outside the state or to the filing or recording of a plat or other instrument, the size of which is regulated by law.

MCL 565.201

FISCAL IMPLICATIONS:

There is no information at present.

ARGUMENTS:

For:

The aim of the bill is to enhance the operations of county registers of deeds by setting standards for documents filed in those offices so that they can use new technologies for recording and making available important land records. The bill, for example, increases the required type size from eight-point to ten-point, the same requirement said to be used for court records; requires a weight of paper and size of paper that permits the use of automatic scanners; requires black-on-white contrast to make copies cleaner; prescribes margins that will allow space for important recording information, such as date of recording; and requires that a document be identified by a single word statement so that it will be easier to categorize (e.g. as a mortgage) for recording and to encourage people to use one document for one purpose only rather than multiple purposes (e.g., a mortgage and an assignment of mortgage). Registers of deeds say other states using new recording technologies have "learned the hard way" that it does not make sense to allow documents to be submitted in any shape and form. To make the best use of new methods, documents need to be standardized.

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Response:

It should be noted that many documents now accepted at the register of deeds office will no longer be acceptable without being re-done to meet the new standards.

POSITIONS:

Representatives of the Michigan Association of Registers of Deeds testified in support of the bill before the House Local Government Committee. (9-11-96)

A representative of the Michigan Land Title Association indicated support for the substitute to the committee. (9-11-96)

Analyst: C. Couch

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