

STATE OF CONNECTICUT  
Real Property Electronic Recording Committee  
Legislative Office Building Rm. 1C  
November 12, 2009

INDEX

Members Present: Bernard Liu, Secretary of State; Kendall Wiggin, Chairperson, Connecticut State Library; LeAnn Power, Public Records Administrator, Connecticut State Library; Edward Hill, Attorney; Timothy O'Neil, Attorney; Susan Cyr, Town Clerk, Coventry; Joyce Mascena, Town Clerk, Glastonbury; Therese Pac, Town Clerk, Bristol; Norman Roos, Mortgage Banker; Colleen Capossela, Title Insurance Representative; Bobbi Shorthouse, Notary Public; Stuart Clark, Title Searcher; Tony Gioia, Realtor

Members absent: Michael Rosten, Realtor

Others present: Ursula Hunt, Recorder, Connecticut State Library; Brian Kilfoyle, Simplifile; Molly Terry, Simplifile; Paul Clifford, Simplifile; Megan Powell; Kathy Makover, Connecticut State Library; Jeff Collins, Connecticut State Library; Lizette Pelletier, Connecticut State Library; Bill Anderson, National Notary Association; Eunice DiBella, former Public Records Administrator Connecticut State Library; John Dresch, IMAS, LLC.

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The meeting was called to order at 10:00 a.m. by State Librarian Kendall Wiggin. Mr. Wiggin welcomed the group and introduced the new Public Records Administrator, LeAnn Power, who replaced Eunice DiBella. He thanked Eunice, who retired from the State Library, for organizing the Committee. Eunice served on a legislative task force for several years before the legislature passed Public Act 08-56. Due to technical issues with the law, the Committee was unable to convene before October 1. The meeting today will include introductions, a demonstration and basic housekeeping for the Committee including setting its next steps and meeting schedule. State Library Public Records staff will handle much of the administrative work including bringing in other advisors, possibly from information technology, if necessary.

WELCOME AND INTRODUCTIONS

**MINUTES**

This is the first meeting of the Committee.

**PA-08-56 "An Act Adopting the Uniform Real Property Electronic Recording Act"**

Review of PA 08-56

The charge of the Committee as indicated is to establish regulations to implement the provisions of the Act for an electronic recording system for towns to record land records. The Committee will take into consideration previously established national and local standards and practices, enabling legislation, the establishment of uniform processes, and information security. The Committee also needs to be aware of any statutes that will affect the regulations. It is not determined if there will be any extra cost to towns and to the State. While no timeline has been set for the establishment of the regulations, Mr. Wiggin would like the regulations completed in 2010.

**eRecording Demonstration by Simplifile**

Paul Clifford, President of Simplifile, gave a PowerPoint presentation about its software. He stated that 36 states now use electronic recording and more are expected to follow. His system uses the Internet, which is free, and is based on uniform standards set by

Demonstration by Simplifile

the Property Records Industry Association (PRIA) (<http://www.pria.us/>) for document transfer and authentication. Several Simplifile staff are on the PRIA board. Simplifile allows a trusted submitter (approved entities who record documents in a township) to transmit encrypted information securely to a township. The review process is much more streamlined including returns for errors. The system can also handle electronic transfer of funds. Start up requires very little effort. The security advantage is that it provides a full audit trail should anyone attempt fraud.

The Uniform Electronic Transactions Act (UETA) defines an original as any document which contains the same information. The Uniform Real Property Electronic Recording Act (URPERA) clarified UETA by allowing a committee to establish uniform procedures. The URPERA Enactment and eRecording Standards Implementation Guide can also be found at the PRIA website, (<http://www.pria.us/>). States have passed legislation from both of these Acts. There needs to be an eRecording agreement between a municipality and submitter which states that it is using a system that follows the standards that this Committee sets.

He discussed the three Models of electronic recording. Model 1 consists of a paper document that is scanned by a submitter. The images are static images and do not include any electronic indexing data. Model 2 consists of a digital image with the recording data attached. Although the document is created electronically, the data is stored in a separate file. This model allows for automated data entry. Model 3 recording is completely automated. A document is created electronically and executed electronically including a digital signature and digital notarization which is embedded directly into the electronic document.

Molly Terry, from Simplifile, demonstrated how the recording procedure works with their software including the document review process and the recording processing. Recording stamps are customized to look like the physical stamp used and put onto the electronic document.

Joyce Mascena, Glastonbury Town Clerk, spoke about the recording process in her town. A cover sheet is submitted electronically to calculate fees and input index data. Original documents and fees are still submitted per Connecticut statutes.

Susan Cyr, Coventry Town Clerk, asked what effect a computer outage would have on recording. Mr. Clifford said that the documents would remain on the Simplifile server until the town's system came up. The system alerts Simplifile staff to any lengthy document holding periods, which the staff investigates and then notifies the trusted submitters.

Therese Pac, Bristol Town Clerk, asked if Revenue Services would have to be part of the process to receive the conveyance tax. Mr. Clifford said that the money could still be mailed to it or the vendor could wire it depending on the system available to them.

Mr. Clifford said that it is expected that the automation process will continue to improve technologies for submitters and lending organizations.

Mr. Wiggin said that the committee will not be involved in developing the actual system, only the standards for recording that the towns can enact if they wish.

The question was raised whether electronic recordings created more or less work for the town clerks. The presenters believe that electronic recording takes 1/3 of the time of manual processing and provides an improvement in the quality of the processing. Other questions raised concerned copy fees for electronic deeds and the run down process. Additional questions should be brought to the next meeting.

## **NEXT STEPS**

Mr. Wiggin thanked Simplifile and said the State Library will have a page on its web site for the Committee next week. Staff will look at other states' regulations and put together

## **NEXT STEPS**

recommendations for the Committee before the next meeting. If members have questions to research, please send them to LeAnn Power.

**MEETING SCHEDULE**

Mr. Wiggin suggested that the Committee meet again in 3 months. The staff will poll the Committee by email for the best meeting date. The staff will distribute the minutes of this meeting by email as well.

Bill Anderson from the National Notary Association reported to the Committee on electronic notarization. There are different approaches to the notary piece. In Model 3, electronic signatures can be used. Electronic notarizations are not performed remotely; the notary is in the same location as the submitters. Only the tools are different. There has been a debate on whether this is the proper form for notarization. Section 5 of the Act says that the State Librarian shall consider secure standards resistant to tampering. Since the notary piece is part of electronic recording, the standards apply. Notaries should be identified and their commission verified. The existing technology is such that it cannot be tampered with. The National Conference of Commissioners on Uniform State Laws (NCCUSL) is looking at legislation to address this. Mr. Anderson is available for consultation.

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A motion to adjourn was made and seconded.  
The meeting was adjourned at 11:55 a.m.

Respectfully submitted,

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Kendall F. Wiggin, Chair

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Ursula Hunt, Recorder

MEETING  
SCHEDULE

GUEST SPEAKER,  
BILL ANDERSON

ADJOURNMENT