

# SENATE BILL NO. 1188

October 08, 2020, Introduced by Senator MACGREGOR and referred to the Committee on Government Operations.

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:**

1           Sec. 3. (1) If a law requires as a condition for recording  
2 that a document be an original, be on paper or another tangible  
3 medium, or be in writing, the requirement is satisfied by an  
4 electronic document.

1 (2) If a law requires as a condition for recording that a  
2 document be signed, the requirement is satisfied by an electronic  
3 signature.

4 (3) A requirement that a document or a signature associated  
5 with a document be notarized, acknowledged, verified, witnessed, or  
6 made under oath is satisfied if the electronic signature of the  
7 person authorized to perform that act, and all other information  
8 required to be included, is attached to or logically associated  
9 with the document or signature. A physical or electronic image of a  
10 stamp, impression, or seal need not accompany an electronic  
11 signature.

12 (4) ~~This~~ **Except as provided in section 5a, this** section does  
13 not require that a register of deeds accept electronic documents  
14 for recording.

15 Sec. 4. (1) ~~A~~ **Except as provided in section 5a, a** county  
16 register of deeds who implements any of the functions listed in  
17 subsection (2) shall do so in compliance with any standards  
18 established by the electronic recording commission.

19 (2) A county register of deeds may do any of the following:

20 (a) Receive, index, store, archive, and transmit electronic  
21 documents.

22 (b) Provide for access to, and for search and retrieval of,  
23 documents and information by electronic means.

24 (c) Convert paper documents accepted for recording into  
25 electronic form.

26 (d) Convert into electronic form information recorded before  
27 the county register of deeds began to record electronic documents.

28 (e) Accept electronically any fee or tax that the county  
29 register of deeds is authorized to collect.

1 (f) Agree with other officials of a state or a political  
2 subdivision of a state, or of the United States, on procedures or  
3 processes to facilitate the electronic satisfaction of prior  
4 approvals and conditions precedent to recording and the electronic  
5 payment of fees or taxes.

6 (3) A county register of deeds who accepts electronic  
7 documents for recording shall continue to accept paper documents  
8 for recording as authorized by state law. The county register of  
9 deeds shall place entries for both types of documents in the same  
10 index.

11 (4) ~~A-Except as provided in section 5a,~~ a county register of  
12 deeds shall only accept electronic documents for recording from a  
13 person with which the county register of deeds has entered into an  
14 agreement establishing a verified transactional relationship.

15 (5) This act does not invalidate electronic documents recorded  
16 under this act, the uniform electronic transactions act, 2000 PA  
17 305, MCL 450.831 to 450.849, or the federal electronic signatures  
18 in global and national commerce act, 15 USC 7001 to 7031, before  
19 the establishment of standards under this act by the electronic  
20 recording commission.

21 **Sec. 5a. (1) During the time that this section applies, a**  
22 **register of deeds shall accept electronic documents for recording.**

23 (2) During the time that this section applies, a register of  
24 deeds need only act in substantial compliance with this act and any  
25 standards established by the electronic recording commission.

26 (3) During the time that this section applies, a register of  
27 deeds shall deem all financial institutions and all title insurance  
28 companies or their employed or contracted settlement agents as  
29 covered by an agreement establishing a verified transactional

1 relationship for purposes of section 4(4). The register of deeds  
2 may ask the financial institution or title insurance company for  
3 verification of a notary's employment or contractual association.

4 (4) This section applies after April 29, 2020 and before  
5 January 1, 2021.