

HOUSE BILL REPORT

HB 1647

As Reported By House Committee On:

Local Government

Title: An act relating to recording documents.

Brief Description: Amending recording statutes.

Sponsors: Representatives Mulliken, Dunshee and Scott.

Brief History:

Committee Activity:

Local Government: 2/22/99, 3/1/99 [DPS].

Brief Summary of Substitute Bill

- Amends the auditor recording statutes to update archaic and outdated language and to reflect technology.
- Authorizes recording of non-standard documents for a fee.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Mulliken, Republican Co-Chair; Scott, Democratic Co-Chair; Doumit, Democratic Vice Chair; Mielke, Republican Vice Chair; Edwards; Ericksen; Fisher and Fortunato.

Staff: Scott MacColl (786-7106).

Background:

The county auditor records deeds and other written instruments. The auditor is also required to charge fees for service and to act as clerk for the board of county commissioners. The county auditor is authorized to copy, preserve, and index documents filed with the county.

Many of the statues regarding the process in which documents are filed with an auditor refer to processes and practices that are no longer considered appropriate.

Summary of Substitute Bill:

Numerous outdated and archaic language references are changed, processes are streamlined, and some processes applicable to the document standardization process for recorded documents are clarified. Substantive changes to existing statutes include the following:

- Auditors are authorized to keep a separate tax lien index listing from the general index provided by the county commissioners;
- The recording statutes are updated to add the definition of "legible and capable of being imaged," which means documents must be suitable to produce a readable image, effectively updating for technology;
- The definition of an abbreviated legal description used when recording is expanded to include quarter/quarter sections;
- The document for a recording must use courier font type, and must be sufficiently clear enough to image the document, and only bar codes or address labels may be affixed to the pages;
- Certain documents are exempt from recording format requirements;
- The county auditor is authorized to charge "appropriate recording fees," to record the liens on real estate replacing the 50 cent charge; and
- Auditors authority to accept non-standard recording documents is added under certain circumstances, for a \$50 fee.

An August 1, 1999, effective date is specified.

Substitute Bill Compared to Original Bill: The fee increases for fees charged by county auditors are removed, and a non-standard recording fee is added and the multiple filings statue is clarified.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect August 1, 1999.

Testimony For: (Substitute bill) The original bill had fees increased in order to make fees uniform among all counties. Section 2 of the substitute bill defines a multiple transaction, but the reference was deleted in the substitute bill and needs an amendment to replace the section. Also, the emergency non-standard fee for the emergency non-

standard record authorized in the substitute bill was a request of the industry and needs to be added back into the bill. The emergency non-standard filing will save the industry a lot of money. Section 11 of the substitute is language that refers to a record form, and auditors need a clear margin around a record to add county related information. The auditor association worked for two years with the industry to create this legislation.

Testimony Against: None.

Testified: Representative Mulliken, prime sponsor; Bob Terwilleger, Snohomish County Auditor, Washington Association of County Auditors; Barbara Sandahl, Washington Association of Counties; and Scott Gaspard, Washington Mortgage and Lenders Association.