

HOUSE BILL REPORT

SHB 1593

As Passed House:

March 11, 2003

Title: An act relating to delivery of endorsements by recording officers.

Brief Description: Requiring the delivery of endorsements by recording officers.

Sponsors: By House Committee on Local Government (originally sponsored by Representatives Berkey, Mielke, Dunshee, Haigh, Benson, Romero, Ahern, Moeller, Wood, Hinkle and Sullivan).

Brief History:

Committee Activity:

Local Government: 2/13/03, 2/26/03 [DPS].

Floor Activity:

Passed House: 3/11/03, 93-0.

Brief Summary of Substitute Bill

- Provides discretion to the county recording officer in the delivery of recorded documents.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Romero, Chair; Upthegrove, Vice Chair; Schindler, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Ahern, Berkey, Clibborn, Edwards, Ericksen, Mielke and Moeller.

Staff: Anne Warwick (786-7291) and Amy Wood (786-7127).

Background:

Definitions:

Instruments are documents such as:

- Deeds, grants, and transfers of real property;
- mortgage and release of mortgages or real estate;

- agreements relating to community or separate property;
- powers of attorney to convey real estate and leases; and
- all papers or writings required by law to be filed.

A **file** is the delivery or electronic transmission of an instrument to the auditor or recording officer for recording into the official public records.

A **record** is the process (such as electronic, mechanical, optical, magnetic, or microfilm storage) used by the auditor or recording officer after filing to incorporate the instrument into public records.

When any document required by law to be recorded is received by mail (electronically or in person) by the auditor's office, the recording officer marks the time it was received and notes if the document was received electronically. The recording officer then files and records the document. After the document is recorded, the recording officer will then mark on the document the time, book, and page in which the document was recorded. If requested, the document is electronically transmitted to the party leaving it for recording, or delivered to the address on the face of the document.

Presently some counties do mail the documents back individually to their customers. Other counties vary their practices in the delivery of recorded documents depending on the number of documents to be recorded. Examples of a county practice of delivery for recorded documents received by mail are:

- If a batch (from 3-100+ of individually addressed documents), the records department mails the batch back to the customer, so that the customer can mail them out individually;
- if a single document or if all documents are to be sent to the same address, the records department mails them back together to the address on the document;
- if the customer sends pre-addressed/postage paid envelopes, the records department mails them out individually; or
- if the documents are sent through a title company, then the records department sends all of the documents back to the title company.

Summary of Substitute Bill:

The recording officer **may** electronically transmit a document to the party leaving it to be recorded, or deliver it to the address on the face of the document.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The change in statute is needed to give discretion to county auditors. The Attorney General Opinion issued in October 2002 left no discretion to the county auditors in the delivery of recorded documents. The flexibility provided in this bill would allow county auditors to establish different relationships with their varying customers and become more effective in the delivery of recorded documents. To have a mandatory delivery requirement adds constraints to the auditors office. County auditors have used discretion in the past. The change in statute would allow for cost saving. Title companies may have resistance to the change, but many title companies already return the documents and it would add no greater difficulty to them.

Testimony Against: None.

Testified: Representative Alexander, prime sponsor; Bob Terwilliger, Snohomish County Auditor; and Karen Flynn, Kitsap County Auditor.