By: Carona

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to the Uniform Real Property Electronic Recording Act. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Title 3, Property Code, is amended by adding 4 5 Chapter 15 to read as follows: 6 CHAPTER 15. UNIFORM REAL PROPERTY ELECTRONIC RECORDING ACT Sec. 15.001. SHORT TITLE. This chapter may be cited as the 7 Uniform Real Property Electronic Recording Act. 8 9 Sec. 15.002. DEFINITIONS. In this chapter: (1) "Document" <u>means information that is:</u> 10 11 (A) inscribed on a tangible medium or that is 12 stored in an electronic or other medium and is retrievable in perceivable form; and 13 14 (B) eligible to be recorded in the real property records maintained by a county clerk. 15 16 (2) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, 17 18 or similar capabilities. (3) "Electronic document" means a document that is 19 received by a county clerk in an electronic form. 20 21 (4) "Electronic signature" means an electronic sound, 22 symbol, or process attached to or logically associated with a 23 document and executed or adopted by a person with the intent to sign 24 the document.

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| 1 | (5) "Paper document" means a document that is received |
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| 2 | by a county clerk in a form that is not electronic. |
| 3 | Sec. 15.003. UNIFORMITY OF APPLICATION AND CONSTRUCTION. |
| 4 | In applying and construing this chapter, consideration must be |
| 5 | given to the need to promote uniformity of the law with respect to |
| 6 | the subject matter of this chapter among states that enact a law |
| 7 | substantially similar to this chapter. |
| 8 | Sec. 15.004. VALIDITY OF ELECTRONIC DOCUMENTS. (a) If a |
| 9 | law requires, as a condition for recording, that a document be an |
| 10 | original, be on paper or another tangible medium, or be in writing, |
| 11 | the requirement is satisfied by an electronic document that |
| 12 | complies with the requirements of this chapter. |
| 13 | (b) If a law requires, as a condition for recording, that a |
| 14 | document be signed, the requirement is satisfied by an electronic |
| 15 | signature. |
| 16 | (c) A requirement that a document or a signature associated |
| 17 | with a document be notarized, acknowledged, verified, witnessed, or |
| 18 | made under oath is satisfied if the electronic signature of the |
| 19 | person authorized to perform that act, and all other information |
| 20 | required to be included, is attached to or logically associated |
| 21 | with the document or signature. A physical or electronic image of a |
| 22 | stamp, impression, or seal need not accompany an electronic |
| 23 | signature. |
| 24 | Sec. 15.005. RECORDING OF DOCUMENTS. (a) A county clerk |
| 25 | who implements any of the functions described by this section shall |
| 26 | act in compliance with standards established by the Department of |
| 27 | Information Resources under Section 15.006. |

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1 (b) A county clerk may: 2 (1) receive, index, store, archive, and transmit 3 electronic documents; 4 (2) provide for access to, and for search and 5 retrieval of, documents and information by electronic means; 6 (3) convert paper documents accepted for recording into electron<u>ic form;</u> 7 8 (4) convert into electronic form information recorded 9 before the county clerk began to record electronic documents; (5) accept electronically any fee or tax that the 10 county clerk is authorized to collect; and 11 12 (6) agree with other officials of a state, a political subdivision of a state, or the United States on procedures or 13 processes to facilitate the electronic satisfaction of prior 14 15 approvals and conditions precedent to recording and the electronic payment of fees and taxes. 16 17 (c) A county clerk who accepts electronic documents for recording shall: 18 19 (1) continue to accept paper documents; and (2) place entries for paper documents and electronic 20 21 documents in the same index. 22 Sec. 15.006. UNIFORM STANDARDS. (a) The Department of Information Resources shall adopt standards to implement this 23 24 chapter. 25 (b) To keep the standards and practices of county clerks in 26 this state in harmony with the standards and practices of recording offices in other jurisdictions that enact a law that is 27

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substantially similar to this chapter and to keep the technology 1 2 used by county clerks in this state compatible with technology used by recording offices in other jurisdictions that enact a law that is 3 substantially similar to this chapter, the Department of 4 Information Resources, so far as is consistent with the purposes, 5 6 policies, and provisions of this chapter, in adopting, amending, 7 and repealing standards shall consider: 8 (1) standards and practices of other jurisdictions; (2) the most recent standards promulgated by national 9 standard-setting bodies, such as the Property Records Industry 10 11 Association; 12 (3) the views of interested persons and governmental officials and entities; and 13 14 (4) the needs of counties of varying size, population, 15 and resources. Sec. 15.007. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL 16 17 AND NATIONAL COMMERCE ACT. This chapter modifies, limits, and supersedes the federal Electronic Signatures in Global and National 18 Commerce Act (15 U.S.C. Section 7001, et seq.) but does not modify, 19 limit, or supersede Section 101(c) of that act (15 U.S.C. Section 20 21 7001(c)) or authorize electronic delivery of any of the notices described in Section 103(b) of that act (15 U.S.C. Section 22 7003(b)). 23 24 SECTION 2. The change in law made by this Act applies only

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to a document that is filed for recording on or after the effective date of this Act. A document that is filed for recording before the effective date of this Act is covered by the law in effect at the

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- 1 time the document was filed, and that law is continued in effect for 2 that purpose.
- 3 SECTION 3. This Act takes effect September 1, 2005.