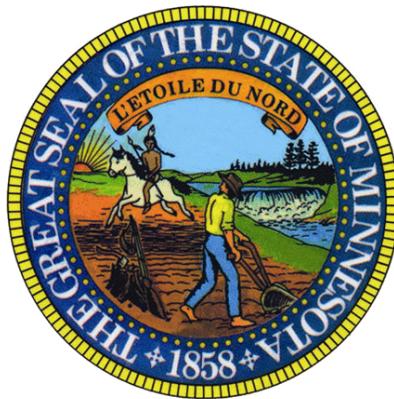


# Minnesota Electronic Real Estate Recording Task Force End Report



**For the period of January 1, 2008 through June 30, 2008**

This report can also be found at  
[http://www.sos.state.mn.us/home/index.asp?page=18&dc\\_id=2678](http://www.sos.state.mn.us/home/index.asp?page=18&dc_id=2678)

**Presented to:** Minnesota Legislature  
Legislative Coordinating Commission  
Electronic Real Estate Recording Commission

**Office of the Secretary of State  
100 Reverend Dr. Martin Luther King Jr. Blvd  
St. Paul, MN 55155**

This report cost \$445 to write, compile and reproduce.

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## A. Summary and Background

The Electronic Real Estate Recording Task Force (Task Force) has been working in one form or another since 1999. The goal of the Task Force was to provide uniform, statewide standards for the filing of residential real estate documents in electronic formats. The authority of this Task Force ended on June 30, 2008.

Legislation was passed in 2008 (Laws 2008, Chapter 238, Articles 2 and 3) that created a permanent Commission to continue on with the development and maintenance of standards for electronic recording of residential real estate documents. In addition, the legislation moved the criteria for electronic recording of documents into the mainstream of Minnesota law, allowing any county to record electronically.

There are three distinct national models for electronic recordings.

1. Model 1 – This is an extension of the paper-based closing or payoff processes. Documents are prepared and printed and the parties sign and notarize the paper documents with ink signatures.
2. Model 2 – These may be paper or electronic based. A document image whether from a scanned paper document signed and notarized by “wet ink” signatures or from an electronic document electronically signed and notarized is wrapped in an XML wrapper containing the data necessary for processing, indexing and returning the document.
3. Model 3 – Documents are generated on a vendor’s document preparation system in an extensible hypertext mark-up language (XHTML) format. The document preparation person logs onto the system and enters the information necessary to complete the generation of the document.

The main focus of this Task Force was on Models 2 and 3.

The members of the Task Force were appointed, with the Secretary of State serving as a member and the chair. The Task Force included four county government officials, two county board members, seven members from the private sector, a representative of the Minnesota Historical Society and two representatives of title companies. For a full list of members with contact information refer to **Appendix A**.

## **B. Subcommittee Reports**

There were eight subcommittees authorized by the Task Force, all of which were given specific assignments related to the goals of achieving electronic recording of real property documents in Minnesota. It is through these subcommittees that much of the strategic, technical and analytical work was completed. This report contains a section for each subcommittee addressing the purpose, history, accomplishments, remaining work and existing gaps as they relate to the status of the subcommittee assignments.

1. eCRV Subcommittee
2. Model 2 Subcommittee
3. Security Instrument XML
4. MISMO/PRIA Subcommittee
5. Validation Subcommittee
6. Legal Subcommittee
7. MN-RPERA Subcommittee
8. Trusted Submitter Subcommittee

## 1. eCRV Subcommittee

**Purpose:** To facilitate the Task Force partnership with the Minnesota Department of Revenue on creating standards and implementing a pilot project for the electronic recording of the Certificate of Real Estate Value (CRV).

**Subcommittee Chair:** Larry Dalien (Director of Property Records, Anoka County)

### **Subcommittee Members:**

Dennis Kron (Deputy Auditor, Stearns County)

Jason Parker (Consultant, Minnesota Department of Revenue)

Jinnelle Weis (Executive Vice President, Burnet Title)

### **History**

The Minnesota Department of Revenue (DOR), with strong encouragement and financial support by counties and private industry, implemented a project to allow for the electronic filing of the CRV. This will eliminate the need for title companies to maintain a typewriter and manually prepare the certificate. Though the CRV is not a recorded document, it is required to accompany most deeds recorded in Minnesota so this project was extremely important to the Task Force.

A subcommittee of the Task Force was appointed to work with the DOR. The role of the subcommittee was to ensure that the end product would not impede but enhance eRecording by eliminating the requirement of a multi part paper form to accompany most deeds presented for recording. For information on the eCRV project visit:

<http://proptax.mdor.state.mn.us>

### **Accomplishments**

The eCRV project is now in beta testing with Dakota County, with plans to soon begin beta testing in Hennepin County. The eCRV production will be rolled out to the seven early adopter counties one at a time through the remainder of 2008 and into early 2009.

Completion of the eCRV project allows for the electronic filing of the CRV for deeds prepared on paper. A CRV number needs to be attached to the deed when received by the eCRV submitter on filing the eCRV, thus being able to affix the number electronically removes the need for manual intervention.

### **Remaining Work**

The Subcommittee is basically done with their assignment. There is, however still a need to continue monitoring the project to address any unforeseen issues. At this time there is an expectation that the eCRV will rollout to all Minnesota counties, at their pace, during the next couple of years.

### **Existing Gaps**

There are no gaps.

## **2. Model 2 Subcommittee**

**Purpose:** This subcommittee was responsible for piloting Model 2 electronic recording.

**Subcommittee Chair:** Joel Beckman (Director of Property Taxation & Records, Dakota County)

**Subcommittee Members:**

Joan Ament (Technical Advisor, Bell Mortgage)

Jeff Carlson (President, US Recordings)

Larry Dalien (Director of Property Records, Anoka County)

Dennis Kron (Deputy Auditor, Stearns County)

Bill Mori (President, TriMin Government Solutions)

### **History**

The Model 2 Subcommittee of the Task Force was formed in January of 2007, in response to several requests by both government units and private companies. This group was charged with the responsibility to look into the feasibility of pilot counties electronically recording documents utilizing both Model 2 and Model 3 technology.

The group reviewed the Property Records Industry Association (PRIA) schema for Model 2 recording and chose the necessary document attributes that would accommodate Minnesota's recording requirements.

Six initial pilot counties were chosen, including Dakota County, Renville County, Wabasha County, Clay County, Scott County and Martin County. In April 2007, Dakota County became the first county in the State of Minnesota to successfully complete electronically recording of a mortgage, using Model 2 technology.

### **Accomplishments**

This subcommittee has utilized PRIA's schema release 2.4.1 to meet Minnesota requirements for Model 2 electronic document recording. This model is currently the most utilized technology model in the United States for electronic document recording, and Minnesota is now positioned to meet the demands of the property industry. The schema is flexible enough to meet the demand for recording multiple document types.

Some document types will not be electronically recorded until there is the ability to electronically record supplemental documents. These supplemental documents include the Electronic Certificate of Real Estate Value (eCRV) and the Electronic Well Certificate. These documents are vital tools for gathering of information for the State of Minnesota and counties.

The eCRV and Electronic Well Certificate pilots are underway with the expectation the pilot will move into all the other counties by early 2009.

## **Remaining Work**

The electronic recording of deeds is ready to move forward. A gap analysis should be conducted to review the existing schema to revise as needed for compliance with current Minnesota standards. In addition, each county that chooses to electronically record these document types will need to undergo a workflow analysis to ensure all statutory requirements for processing of documents are met.

It is also important to continue refining the standards relating to Model 2 documents. The standards need to be consistently applied in every county receiving Model 2 documents for recording.

## **Existing Gaps**

There do not appear to be any existing gaps at this point.

### **3. Security Instrument XML and MISMO/PRIA Subcommittee**

**Purpose:** The purpose of this subcommittee was to oversee the development and testing of the schema for the security instruments, the development of a communication protocol, and development of version control processes. In addition, this subcommittee is responsible for the review of establishment of standard electronic recording of mortgage, deeds and other unaddressed documents, after consideration of the standards of the Mortgage Industry Standards Maintenance Organization (MISMO), Public Records Industry Association (PRIA) and other national groups.

**Subcommittee Chairs:** Chuck Baggeroer (Private Consultant)  
Regina Brown (AVP Procurement Services, Wells Fargo Home Mortgage)

**Subcommittee Members:**

Teresa Bulver (VP Pooling and Whole Loan Delivery, US Bank Home Mortgage)  
Michael Cunniff (Recorder, Hennepin County)  
Fritz Knaak (Attorney, Knaak and Kantrud)  
Pete Palmer (Security Consultant, Wells Fargo)  
Pam Trombo (Technical Consultant, US Recordings)

**Technical Work Group Members:** Ben Marczak (Hennepin County), Brent Worden (Perficient Systems), Dean Pass (West Central Indexing), Pam Trombo (US Recordings), Pete Palmer (Wells Fargo), and Ray Hirte (Hennepin County)

### **History**

The Security Instrument XML Subcommittee was formed to develop and test schemas by conducting a gap analysis of standards, reviewing established standards nationally, and determining user needs. In early 2007 this subcommittee was combined with the MISMO/PRIA Subcommittee to continue with these efforts. A technology work group was formed under the direction of this Subcommittee to assist with the technical aspects of the project.

### **Accomplishments**

Extensible Markup Language (XML) data definitions were developed for a suite of mortgage satisfaction documents for the initial electronic recording Model 3 trials.

The Technical Work Group prepared a gap analysis (*Minnesota ERE Standards: Case Study*) of the existing schema that details the observations about the standards, the development challenges discovered using the standards and solutions to these challenges, which can be found at:

[http://www.sos.state.mn.us/docs/minnesotaererstandards-2006-07-19\\_2.pdf](http://www.sos.state.mn.us/docs/minnesotaererstandards-2006-07-19_2.pdf)

## **Remaining Work**

### ***Mortgage Satisfaction Documents***

During the trials for the XML data definition development, a number of minor issues were discovered. These need to be reviewed and adjusted taking the following items into consideration.

1. Review outstanding errors/issues with existing documents
2. Review status of MISMO and PRIA and other national efforts
3. Compare current data structures to other standards
4. Estimate financial needs and other resources required
5. Obtain resources
6. Develop and execute an implementation plan

### ***Mortgage security instruments***

No data definition standards exist for mortgage security instruments in Model 3. A joint MISMO/PRIA Subcommittee assigned PRIA the task of developing these standards. Concurrently the Subcommittee investigated the possibility of developing a Minnesota standard, which might be adopted by PRIA.

### ***Secure Messaging***

Secure messaging is not yet incorporated and it is recommended the Commission evaluate messaging standards to assure the following:

- The validity of the originator (the data came from an authorized source)
- The integrity of the data (the data has not been altered)
- Non-repudiation (the originator cannot deny submission)

## **Existing Gaps**

There do not appear to be any existing gaps at this point.

## **4. Validation Subcommittee**

**Purpose:** This group was responsible for exploring and advising the Task Force on the validation of software vendor systems for electronic recording of real property records.

**Subcommittee Chair:** Michael Cunniff (Recorder, Hennepin County)

**Subcommittee Members:**

Larry Dalien (Director of Property Records, Anoka County)

Ben Marczak (Technical Consultant, Hennepin County)

Pam Trombo (Technical Consultant, US Recordings)

### **History**

The Task Force created a process to validate the recording system that Counties use. Test documents were designed to make certain that county recording systems were following Minnesota electronic recording standards.

The original five pilot Counties all had their recording systems validated in 2003 and 2004. The Task Force provided a certification that the recording systems used by these Counties would reject documents that did not follow the Minnesota electronic recording standards.

### **Accomplishments**

These recording systems were validated by the Task Force as meeting Minnesota electronic recording standards.

1. Fidlar Recording System – Used by original Pilots from Dakota and Lyon County.
2. TriMin Recording Systems – Used by original Pilot from Renville County.
3. West Central Indexing Recording System – Used by original Pilot from Roseau County.
4. Hennepin County Recording System

Counties that use these systems can be assured that they are using systems that meet Minnesota electronic recording standards. Future recording systems must be validated prior to usage.

### **Remaining Work**

Vendors who have recording systems that market to Minnesota Counties must have their systems validated as meeting Minnesota electronic recording standards. The Task Force authorized Hennepin County to develop a testing model to validate any new system that a County might use to electronically record real estate documents. The Commission should partner with Hennepin County to continue this work.

### **Existing gaps**

The Commission will need to determine procedures for on-going validation and for re-validation of existing systems.

## 5. Legal Subcommittee

**Purpose:** To prepare a written recommendation related to the requirements of implementing electronic filing as defined in Minnesota Statutes 507.094.

**Subcommittee Co-Chairs:**

Eileen Roberts (Professor, William Mitchell College)

Michael Cunniff (Recorder, Hennepin County)

**Subcommittee Members:**

Tim Anderson (Attorney, Agstar Financial Services)

Fritz Knaak (Attorney, Knaak and Kantrud)

Chuck Parsons (Attorney, Moss & Barnett)

Chuck Hoyum (VP and Chief Underwriting Counsel, Old Republic Title)

Marty Henschel (Chief Title Officer, Edina Realty)

Rick Little (Underwriting Counsel, Commercial Partners Title)

Bert Black (Legal Analyst, Office of the Secretary of State)

### History

The Legal Subcommittee of the Task Force was appointed in the fall of 2007 to review existing statutes and draft conforming amendments to enable electronic recording by all counties. The conforming amendments appear in Laws 2008, Chapter 238, Article 3 for the Minnesota Statutes referenced below related to real estate law. The Subcommittee also proposed revised Minnesota Real Property Electronic Recording Act (MN-RPERA) language in Article 2 of that law to enable electronic recording.

### Accomplishments

The Legal Subcommittee met several times in the fall of 2007 and the winter of 2008 and completed their work. The Task Force approved the proposed language which became Laws 2008, Chapter 238, Articles 2 and 3.

These changes, shown in detail in **Appendix B**, complement the MN-RPERA bill and electronic recording, generally. They move the criteria for electronic recording of documents into the mainstream of Minnesota law, and allow any county to record electronically.

The existing sections of law amended, are:

- MS 2006, section 14.03, subdivision 3 (standards exempt from rulemaking procedures)
- 272.122 (electronic facsimile)
- 287.08 (tax, how payable; receipts)
- 287.241 (recording or registering of documents)
- 287.25 (payment of tax; stamps)
- 386.03 (reception index)
- 386.19 (record books, indexes)
- 386.31 (consecutive numbering)
- 386.409 (county recorder's official signature)
- 507.093 (standards for documents)
- 507.40 (mortgages, how discharged)
- 507.46 (form of certificate)

### **Remaining Work**

The work of the subcommittee is complete.

### **Existing Gaps**

There are no gaps.

## **6. MN-RPERA Subcommittee**

**Purpose:** This subcommittee was responsible for reviewing the Uniform Real Property Electronic Recording Act (URPERA) and Property Records Industry Association (PRIA) position statement on URPERA.

**Subcommittee Chair:** Eileen Roberts (Professor, William Mitchell College)

### **Subcommittee Members:**

Jeanine Barker (Recorder, Lyon County)

Bert Black (Legal Analyst, Office of the Secretary of State)

Teresa Bulver (VP Pooling and Whole Loan Delivery, US Bank Home Mortgage)

Dennis Fink (Commissioner, St. Louis County)

Chuck Parsons (Private Attorney)

Jinnelle Weis (Executive Vice President, Burnet Title)

### **History**

MN-RPERA is the Minnesota Real Property Electronic Recording Act. The MN-RPERA Subcommittee used the Uniform Real Property Electronic Recording Act (URPERA), promulgated by the National Conference of Commissioners on Uniform State Laws (NCCUSL), as the starting point for drafting MN-RPERA.

### **Accomplishments**

Among other changes, the subcommittee added provisions to:

- (1) reflect that Minnesota has a traditional recording system as well as a registered land (Torrens) system, and
- (2) establish the composition of the Commission.

After drafting MN-RPERA, the subcommittee identified existing Minnesota real estate statutes that required amendment to accommodate electronic recording, and drafted amendments to those statutes. The Task Force approved the work and submitted it to the 2008 Minnesota Legislature, which enacted MN-RPERA and the conforming changes.

### **Remaining Work**

The work of the subcommittee is complete.

### **Existing Gaps**

There are no gaps.

## 7. Trusted Submitter Subcommittee

**Purpose:** Served to maintain the adopted Trusted Submitters Advisory Guide and provides a resource for those interested in becoming a trusted submitter for electronic recording.

**Subcommittee Chair:** Jinnelle Weis (Executive Vice President, Burnet Title)

**Subcommittee Members:**

Gail Miller (Recorder, Renville County)

Joel Beckman (Director of Property Taxation & Records, Dakota County)

Ben Marczak (Technical Consultant, Hennepin County)

Peter Lamb (Abstractor, North American Title)

### History

The Trusted Submitters Subcommittee of the Task Force was established in spring of 2006 for the following purpose - "This group will serve to maintain the adopted Trusted Submitter Advisory Guide and to serve as a resource for those interested in becoming a trusted submitter for e-recordings. The Subcommittee will encourage and promote the advancement of electronic recordings."

Throughout the term of the Task Force the focus of the Subcommittee has been to support this purpose and work to accomplish the original goal of encouraging and promoting electronic recording in Minnesota.

### Accomplishments

The committee has maintained and updated the Trusted Submitter Advisory Guide. The June 2007 (current) version is posted on the Secretary of State website at <http://www.sos.state.mn.us/home/index.asp?page=496>. This updated version includes the expansion of acceptable filings to Model 2, contains the current "Statement of Commitment" required to be executed by all potential submitters, includes a current appendix of available resources, and an expanded Glossary of Terms.

In acting as a resource and in promoting electronic recording in Minnesota, the Subcommittee has developed presentation tools and facilitated both informal and formal meetings with potential submitter groups.

Two of the most note-worthy presentations in 2008 were given at the Minnesota Land Title Association (MLTA) Spring Conference and at the Red River Valley Property Records Education Partners (PREP) quarterly meeting in April. Participating in the development and presentation of one or both of the above meetings were the Renville County Recorder; technical consultant for Hennepin County Taxpayer Services; President of TriMin Government Solutions; Vice-President of Simplifile; Director of Property Taxation & Records in Dakota County and the title company representatives to the Task Force.

## **Remaining Work**

The Trusted Submitter Advisory Guide continues to be a work in progress and will require revisions to reflect future advancements in electronic recording.

Education and promotion continue to be a need and must be one of the priorities of any permanent governing body for electronic recording in Minnesota.

## **Existing Gaps**

There do not appear to be any existing gaps at this point.

## **C. Recommendations to New Commission**

### **1. To continue interactions with the County Auditor/Treasurers and Recorders.**

The Auditor/Treasurer's will be forming a subcommittee within their association to review issues, projects and concerns which may come up in the future. They will have a notification structure in place for reporting to the Commission on a regular basis. In addition, attendance at the Commission meetings by a selected person from the Auditor/Treasurer's group will be implemented.

The Minnesota County Recorders Association (MCRA) created a sub-committee expressly for electronic real estate recording. This subcommittee will function to compile information and requests from the MCRA membership to bring forward to the Commission, monitor electronic recording in Minnesota as needed and make recommendations to the Commission. The sub-committee, if warranted, will work with the Commission to explore funding sources.

### **2. To pursue the necessary funding.**

Minnesota Statutes 507.0948 authorizes the Commission to accept donations of money or resources, including loaned employees or other services. On January 10, 2008 the Task Force passed a resolution:

**RESOLVED**, that the Electronic Real Estate Recording Task Force hereby commits the necessary resources to achieve the goals listed in the Security Instrument XML Subcommittee document "Minnesota Mortgage Schema Investment Summary"\* and that the schema will be consistent with other Minnesota and national standards.

**FURTHER RESOLVED**, that the Secretary of State is authorized to solicit the resources necessary to achieve the aforementioned results. Funding would only be pursued once the legislation is enacted and there is a permanent commission in place.

\* The *Minnesota Mortgage Schema Investment Summary* can be found at:  
<http://wwwcmt.sos.state.mn.us/home/index.asp?page=364>

### **3. Select an expert technology specialist.**

Minnesota Statutes 507.0948 (b) (5) authorizes Commission members to appoint an expert in the technological aspects of electronic real estate recording. The Task Force emphasizes the significance and seriousness of selecting a technical expert or experts with knowledge in and skills for the project the Commission is currently working in.

### **4. Continue to monitor the progress of the electronic CRV and the Well Disclosure Certificate projects.**

The website for the eCRV project is <http://proptax.mdor.state.mn.us>. The Well Certificate project is coordinated through the counties with the Minnesota Department of Health.

### **5. Continue monitoring of Model 2 electronic recording.**

With the understanding that through the normal course of time and implementation of the eCRV/Well Certificate the rest of the document types will be completed.

**6. Continue the development of standards for mortgage security instruments and Deeds.**

The Task Force determined this was possible and desirable, and recommends that the Commission undertake this effort as one of their major objectives.

**7. Continue with the testing model for validation of any new recording system.**

Partnership with Hennepin County is recommended for this as they are currently developing such a validation model.

**8. The future Commission will need to examine how validation of systems will occur in the future.**

This will occur as part of the Version Control Program that will need to be developed as standards are developed for all document types to be recorded electronically. Minnesota has a unique opportunity to continue to use the Uniform Conveyancing Blanks as the standard templates for the electronic recording in Minnesota. This will reduce development time and take advantage of the generally accepted Uniform Conveyancing Blanks being used in day to day business in the paper world.

**9. Determine the on-going procedures for validation and for re-validation of recording systems.**

As the standards are revised and software programs change, the Commission should prepare procedures to address these very issues in relation to validation of software programs for electronic recording.

**10. To monitor real property statutes.**

This is recommended in order to determine whether further refinements are necessary as the mainstreaming of electronic recording develops and as issues arise.

**11. Maintain and continue to revise the Trusted Submitter Advisory Guide.**

The Commission should make their assessment as to the value of this document and determine resources needed to revise and publish this on an on-going basis.

**12. Continue education and promotion of electronic recording in Minnesota.**

This should be one of the priorities of the Commission. Continued publicity of success stories and electronic recording milestones will build awareness, create excitement and emphasize the value that electronic recording brings for counties, private industry and the general public.

**13. Maintain and continue to develop the presentation tools.**

Utilize and enhance the existing presentation tools used to educate and promote electronic recording.

**14. Recruit additional trusted submitters.**

The greatest need currently for the expansion of electronic recording is additional submitters.

**15. Incorporate Secure Messaging.**

Evaluate existing messaging standards to select or develop one that meets MN needs.



## **D. Conclusion**

The Task Force has made significant strides in the advancement of electronic recording in Minnesota. It was apparent to the Task Force that the technology to support electronic recording is readily available, the desire to electronically record both from a county and industry perspective is evident and the advantages to the end consumer are many.

Electronic recording is a proven method to more swiftly and reliably provide public notice of transfer documents and lien rights affecting real property. The benefits of electronic recording positively impact the housing industry, an industry critical to a robust Minnesota economy.

While huge strides have been made, electronic recording continues to be an evolving process in need of resources, commitment, education and funding. The Minnesota foundation for electronic recording is solid and the Commission needs to continue building on past work. The ongoing support of the Minnesota Legislature is critical to this effort.

## E. Appendices

### Appendix A - Task Force Members

Name	Title	Organization Affiliation	Email	Phone Number
Mark Ritchie	Secretary of State	Office of the MN Secretary of State	<a href="mailto:Secretary.state@state.mn.us">Secretary.state@state.mn.us</a>	651-201-1324
Timothy Anderson	Attorney	Agstar Financial Services	<a href="mailto:Tim.Anderson@agstar.com">Tim.Anderson@agstar.com</a>	507-345-5654
Chuck Baggeroer	Security Consultant	Self	<a href="mailto:fcblc@comcast.net">fcblc@comcast.net</a>	612-327-5886
Jeanine Barker	Recorder	Lyon County	<a href="mailto:JeanineBarker@co.lyon.mn.us">JeanineBarker@co.lyon.mn.us</a>	507-537-6722
Regina Brown	AVP, Procurement Services	Wells Fargo Home Mortgage	<a href="mailto:regina.brown@wellsfargo.com">regina.brown@wellsfargo.com</a>	651-605-3783
Teresa Bulver	VP, Pooling and Whole Loan Delivery	US Bank Home Mortgage	<a href="mailto:Teresa.Bulver@usbank.com">Teresa.Bulver@usbank.com</a>	952-876-3562
Michael Cunniff	Recorder	Hennepin County	<a href="mailto:michael.cunniff@co.hennepin.mn.us">michael.cunniff@co.hennepin.mn.us</a>	612-348-3893
Larry Dalien	Property Records Director	Anoka County	<a href="mailto:larry.dalien@co.anoka.mn.us">larry.dalien@co.anoka.mn.us</a>	952-876-3562
Dennis Fink	Commissioner	St. Louis County	<a href="mailto:finkd@co.st-louis.mn.us">finkd@co.st-louis.mn.us</a>	218-726-2458
Shirlee Heitz	Realtor	Dynamics Real Estate	<a href="mailto:shirlheitz@aol.com">shirlheitz@aol.com</a>	
Robert Horton	State Archivist	MN Historical Society	<a href="mailto:robert.horton@mnhs.org">robert.horton@mnhs.org</a>	651-259-3240
Fritz Knaak	Attorney	Knaak and Kantrud	<a href="mailto:fknaak@klaw.us">fknaak@klaw.us</a>	952-499-9078
Dennis Kron	Deputy Auditor	Stearns County	<a href="mailto:denny.kron@co.stearns.mn.us">denny.kron@co.stearns.mn.us</a>	320-656-3906
Peter Lamb	Abstractor	North American Title	<a href="mailto:plamb@nat.com">plamb@nat.com</a>	
Victoria Reinhardt	Commissioner	Ramsey County	<a href="mailto:Victoria.reinhardt@co.ramsey.mn.us">Victoria.reinhardt@co.ramsey.mn.us</a>	
Eileen Roberts	Professor	William Mitchell College of Law	<a href="mailto:eroberts@wmitchell.edu">eroberts@wmitchell.edu</a>	651-290-6420
Jinnelle Weis	Executive Vice President	Burnet Title Inc.	<a href="mailto:jinnelle.weis@burnetttitle.com">jinnelle.weis@burnetttitle.com</a>	952-886-6843

## Appendix B – Laws 2008, Chapter 238, Articles 2 and 3

This can also be found at:

<https://www.revisor.leg.state.mn.us/bin/bldbill.php?bill=H3516.4.html&session=ls85>

### ARTICLE 2

#### 3.7 ELECTRONIC RECORDING; COMMISSION

3.8 Section 1. [507.0941] DEFINITIONS.

3.9 For purposes of sections 507.0941 to 507.0948:

3.10 (a) "Document" means information that is:

3.11 (1) inscribed on a tangible medium or that is stored in an electronic or other medium  
3.12 and is retrievable in perceivable form; and

3.13 (2) eligible to be recorded in the land records maintained by the recorder or registrar.

3.14 (b) "Electronic" means relating to technology having electrical, digital, magnetic,  
3.15 wireless, optical, electromagnetic, or similar capabilities.

3.16 (c) "Electronic document" means a document that is received by the recorder or  
3.17 registrar in an electronic form.

3.18 (d) "Electronic real estate recording commission" and "commission" mean the  
3.19 commission established by sections 507.0941 to 507.0948.

3.20 (e) "Electronic signature" means an electronic sound, symbol, or process attached  
3.21 to or logically associated with a document and executed or adopted by a person with  
3.22 the intent to sign the document.

3.23 (f) "Legislative Coordinating Commission" means the commission established by  
3.24 section 3.303.

3.25 (g) "Paper document" means a document that a recorder or registrar receives in a  
3.26 form that is not an electronic document.

3.27 (h) "Person" means an individual, corporation, business trust, estate, trust,  
3.28 partnership, limited liability company, association, joint venture, public corporation,  
3.29 government or governmental subdivision, agency, or instrumentality, or any other legal or  
3.30 commercial entity.

3.31 (i) "Recorder" means the county recorder for the county in which a document is  
3.32 received.

3.33 (j) "Registrar" means the registrar of titles for the county in which a document is  
3.34 received.

4.1 Sec. 2. **[507.0942] UNIFORMITY OF APPLICATION AND CONSTRUCTION.**

4.2 Persons applying or construing sections 507.0941 to 507.0948 must consider the  
4.3need to promote uniformity of the law with respect to the subject matter of sections  
4.4507.0941 to 507.0948 among states that enact a law substantially similar to sections  
4.5507.0941 to 507.0948.

4.6 Sec. 3. **[507.0943] VALIDITY AND TIME OF RECORDING OF ELECTRONIC**  
4.7**DOCUMENTS.**

4.8 (a) If a law requires, as a condition for recording, that a document be an original,  
4.9on paper or another tangible medium, or in writing, the requirement is satisfied by an  
4.10electronic document satisfying sections 507.0941 to 507.0948. If a law requires or refers  
4.11to something related to tangible media including, without limitation, book, certificate,  
4.12floor plan, page, volume, or words derived from them, the requirement or reference is  
4.13satisfied by an electronic document satisfying sections 507.0941 to 507.0948.

4.14 (b) If a law requires, as a condition for recording, that a document be signed, the  
4.15requirement is satisfied by an electronic signature.

4.16 (c) A requirement that a document or a signature associated with a document  
4.17be attested, acknowledged, verified, witnessed, or made under oath is satisfied if the  
4.18electronic signature of the person authorized to perform that act, and all other information  
4.19required to be included, is attached to or logically associated with the document or  
4.20signature. A physical or electronic image of a stamp, impression, or seal need not  
4.21accompany an electronic signature.

4.22 (d) Notwithstanding the time of its delivery, an electronic document is recorded for  
4.23purposes of this chapter at the earlier of (i) the time the electronic document is accepted for  
4.24recording or (ii) the next close of the recorder's office hours following the time of delivery.

4.25 (e) Notwithstanding the time of its delivery, an electronic document is registered as  
4.26to a parcel of registered land for purposes of chapters 508 and 508A when the electronic  
4.27document is memorialized or otherwise noted on the certificate of title for the parcel.

4.28 (f) A law that authorizes or requires any act to be performed with respect to any  
4.29document affecting real property that is to be filed in the office of the recorder or registrar  
4.30shall be deemed satisfied if the act is performed electronically in accordance with the  
4.31standards established by the electronic real estate recording commission. By way of  
4.32illustration, the acts referred to in this section include, without limitation, the following  
4.33words as well as words derived from them: affix, apply, attest, bind, certify, conform,  
4.34contain, copy, deliver, draw, duplicate, endorse, enter, file, form, hold, issue, leave, make,  
5.1mark, mount, note, open, present, print, proffer, receive, recite, record, refer, register, seal,  
5.2send, sign, stamp, state, store, subscribe, witness, and write.

5.3 Sec. 4. **[507.0944] RECORDING OF DOCUMENTS.**

5.4 (a) A recorder or registrar may:

5.5 (1) receive, index, store, archive, and transmit electronic documents;

5.6 (2) provide for access to documents and other information by electronic means;

5.7 (3) provide for search and retrieval of documents and other information by electronic

5.8 means;

5.9 (4) index, store, and archive, in electronic form, paper documents accepted for

5.10 recording;

5.11 (5) convert into electronic form the record of documents recorded or registered

5.12 before the recorder or registrar began to record electronic documents;

5.13 (6) accept electronically any fee or tax that the recorder or registrar is authorized

5.14 to collect; and

5.15 (7) agree with other officials of this state or a political subdivision of this state on

5.16 procedures or processes to facilitate the electronic satisfaction of conditions to recording

5.17 and the electronic payment of fees and taxes.

5.18 (b) A recorder who accepts electronic documents for recording shall:

5.19 (1) continue to accept paper documents; and

5.20 (2) place entries for paper documents and electronic documents in the same index.

5.21 (c) A registrar who accepts electronic documents for registration shall:

5.22 (1) continue to accept paper documents; and

5.23 (2) place entries for paper documents and electronic documents in the same index.

5.24 Sec. 5. **[507.0945] ADMINISTRATION.**

5.25 (a) An Electronic Real Estate Recording Commission administered by the

5.26 Legislative Coordinating Commission is created to and must adopt standards to implement

5.27 sections 507.0941 to 507.0948.

5.28 (b) The Electronic Real Estate Recording Commission shall consist of the following:

5.29 (1) three members appointed by the Minnesota Association of County Officials who

5.30 are county employees, including one from within the seven-county metropolitan area, one

5.31 from outside the seven-county metropolitan area, and at least one of whom is a county

5.32 recorder and at least one of whom is a registrar of titles;

5.33 (2) one member appointed by the Minnesota Land Title Association;

5.34 (3) one member who represents the Minnesota Bankers Association;

6.1 (4) one member who represents the Section of Real Property Law of the Minnesota

6.2 State Bar Association;

6.3 (5) one nonvoting member who is appointed by the other members of the commission

6.4 and an expert in the technological aspects of electronic real estate recording; and

6.5 (6) one member who is the state archivist appointed pursuant to section 138.17.

6.6 (c) Members of the Electronic Real Estate Recording Commission shall serve

6.7 four-year terms, except that (1) the initial appointments of county employees shall be for

6.8 two years and (2) the expert in the technological aspects of electronic real estate recording

6.9 shall serve at the pleasure of a majority of the other members of the commission. All

6.10 initial terms shall commence on July 1, 2008. Members shall serve until their successors

6.11 are appointed. Any member may be reappointed for successive terms.

6.12 (d) The state archivist shall call the first meeting of the Electronic Real Estate

6.13 Recording Commission. At the first meeting and biennially thereafter, the commission

6.14 shall elect from its membership a chair and vice-chair to serve two-year terms. Meetings

6.15 may be called by the chair or the vice-chair or the director of the Legislative Coordinating

6.16 Commission. Meetings shall be held as often as necessary, but at least once a year.

6.17 (e) A majority of the voting members of the Electronic Real Estate Recording

6.18 Commission constitutes a quorum to do business, and a majority of a quorum may act

6.19 in any matter within the jurisdiction of the commission.

6.20 (f) As soon as practicable and as needed thereafter, the Electronic Real Estate

6.21 Recording Commission shall identify the information technology expertise it requires

6.22 and report its needs to the Legislative Coordinating Commission. The Electronic Real

6.23 Estate Recording Commission also shall report any other expertise it needs to fulfill its

6.24 responsibilities. The Legislative Coordinating Commission shall provide support services,

6.25 including meeting space, as needed for the Electronic Real Estate Recording Commission

6.26 to carry out its duties in an effective manner.

6.27 Sec. 6. **[507.0946] STANDARDS.**

6.28 To keep the standards and practices of recorders and registrars in this state in

6.29 harmony with the standards and practices of recorders' and registrars' offices in other

6.30 jurisdictions that enact a law that is substantially similar to sections 507.0941 to 507.0948,

6.31 and to keep the technology used by recorders and registrars in this state compatible with

6.32 technology used by recorders' and registrars' offices in other jurisdictions that enact a law

6.33 that is substantially similar to sections 507.0941 to 507.0948, the Electronic Real Estate

6.34 Recording Commission, so far as is consistent with the purposes, policies, and provisions

7.1 of sections 507.0941 to 507.0948, in adopting, amending, and repealing standards, shall

7.2 consider:

- 7.3 (1) standards and practices of other jurisdictions;
- 7.4 (2) the most recent standards promulgated by national standard-setting bodies;
- 7.5 (3) the views of interested persons and governmental officials and entities;
- 7.6 (4) the needs of counties of varying size, population, and resources; and
- 7.7 (5) standards requiring adequate information-security protection to ensure that

7.8 electronic documents are accurate, authentic, adequately preserved, and resistant to  
7.9 tampering.

7.10 Sec. 7. **[507.0947] RELATION TO ELECTRONIC SIGNATURES IN GLOBAL**  
7.11 **AND NATIONAL COMMERCE ACT.**

7.12 Sections 507.0941 to 507.0948 modify, limit, and supersede the federal Electronic  
7.13 Signatures in Global and National Commerce Act, United States Code, title 15, section  
7.14 7001, et seq., but do not modify, limit, or supersede section 101(c) of that act, United  
7.15 States Code, title 15, section 7001(c), or authorize electronic delivery of any of the notices  
7.16 described in section 103(b) of that act, United States Code, title 15, section 7003(b).

7.17 Sec. 8. **[507.0948] DONATIONS; REIMBURSEMENT.**

7.18 The Electronic Real Estate Recording Commission may accept donations of  
7.19 money or resources, including loaned employees or other services. The donations are  
7.20 appropriated to the Legislative Coordinating Commission for the sole use of the Electronic  
7.21 Real Estate Recording Commission.

7.22 Sec. 9. **[507.0949] TITLE.**

7.23 Sections 507.0941 to 507.0948 may be cited as the Minnesota Real Property  
7.24 Electronic Recording Act.

7.25 Sec. 10. **EFFECTIVE DATE.**

7.26 This article is effective July 1, 2008.

### 7.27 **ARTICLE 3**

### 7.28 **CONFORMING CHANGES**

7.29 Section 1. Minnesota Statutes 2006, section 14.03, subdivision 3, is amended to read:

7.30 Subd. 3. **Rulemaking procedures.** (a) The definition of a rule in section 14.02,  
7.31 subdivision 4, does not include:

8.1 (1) rules concerning only the internal management of the agency or other agencies  
8.2 that do not directly affect the rights of or procedures available to the public;

8.3 (2) an application deadline on a form; and the remainder of a form and instructions  
8.4 for use of the form to the extent that they do not impose substantive requirements other  
8.5 than requirements contained in statute or rule;

8.6 (3) the curriculum adopted by an agency to implement a statute or rule permitting  
8.7 or mandating minimum educational requirements for persons regulated by an agency,

8.8 provided the topic areas to be covered by the minimum educational requirements are  
8.9 specified in statute or rule;

8.10 (4) procedures for sharing data among government agencies, provided these  
8.11 procedures are consistent with chapter 13 and other law governing data practices.

8.12 (b) The definition of a rule in section 14.02, subdivision 4, does not include:

8.13 (1) rules of the commissioner of corrections relating to the release, placement, term,  
8.14 and supervision of inmates serving a supervised release or conditional release term, the  
8.15 internal management of institutions under the commissioner's control, and rules adopted  
8.16 under section 609.105 governing the inmates of those institutions;

8.17 (2) rules relating to weight limitations on the use of highways when the substance  
8.18 of the rules is indicated to the public by means of signs;

8.19 (3) opinions of the attorney general;

8.20 (4) the data element dictionary and the annual data acquisition calendar of the  
8.21 Department of Education to the extent provided by section 125B.07;

8.22 (5) the occupational safety and health standards provided in section 182.655;

8.23 (6) revenue notices and tax information bulletins of the commissioner of revenue;

8.24 (7) uniform conveyancing forms adopted by the commissioner of commerce under  
8.25 section 507.09; ~~or~~

8.26 (8) standards adopted by the electronic real estate recording commission established  
8.27 under section 507.0945; or

8.28 ~~(8)~~ (9) the interpretive guidelines developed by the commissioner of human services  
8.29 to the extent provided in chapter 245A.

8.30 Sec. 2. **[272.122] ELECTRONIC FACSIMILE.**

8.31 All notations or certifications that are required under this chapter may be performed  
8.32 by electronic means.

8.33 Sec. 3. Minnesota Statutes 2006, section 287.08, is amended to read:

8.34 **287.08 TAX, HOW PAYABLE; RECEIPTS.**

9.1 (a) The tax imposed by sections 287.01 to 287.12 must be paid to the treasurer of  
9.2 any county in this state in which the real property or some part is located at or before  
9.3 the time of filing the mortgage for record. The treasurer shall endorse receipt on the  
9.4 mortgage and the receipt is conclusive proof that the tax has been paid in the amount  
9.5 stated and authorizes any county recorder or registrar of titles to record the mortgage. Its  
9.6 form, in substance, shall be "registration tax hereon of ..... dollars paid." If the  
9.7 mortgage is exempt from taxation the endorsement shall, in substance, be "exempt from  
9.8 registration tax." In either case the receipt must be signed by the treasurer. In case the  
9.9 treasurer is unable to determine whether a claim of exemption should be allowed, the tax

9.10 must be paid as in the case of a taxable mortgage. For documents submitted electronically,  
9.11 the endorsements and tax amount shall be affixed electronically and no signature by the  
9.12 treasurer will be required. The actual payment method must be arranged in advance  
9.13 between the submitter and the receiving county.

9.14 (b) The county treasurer may refund in whole or in part any mortgage registry tax  
9.15 overpayment if a written application by the taxpayer is submitted to the county treasurer  
9.16 within 3-1/2 years from the date of the overpayment. If the county has not issued a denial  
9.17 of the application, the taxpayer may bring an action in Tax Court in the county in which  
9.18 the tax was paid at any time after the expiration of six months from the time that the  
9.19 application was submitted. A denial of refund may be appealed within 60 days from  
9.20 the date of the denial by bringing an action in Tax Court in the county in which the tax  
9.21 was paid. The action is commenced by the serving of a petition for relief on the county  
9.22 treasurer, and by filing a copy with the court. The county attorney shall defend the action.  
9.23 The county treasurer shall notify the treasurer of each county that has or would receive a  
9.24 portion of the tax as paid.

9.25 (c) If the county treasurer determines a refund should be paid, or if a refund is  
9.26 ordered by the court, the county treasurer of each county that actually received a portion  
9.27 of the tax shall immediately pay a proportionate share of three percent of the refund  
9.28 using any available county funds. The county treasurer of each county that received, or  
9.29 would have received, a portion of the tax shall also pay their county's proportionate share  
9.30 of the remaining 97 percent of the court-ordered refund on or before the 20th day of the  
9.31 following month using solely the mortgage registry tax funds that would be paid to the  
9.32 commissioner of revenue on that date under section 287.12. If the funds on hand under  
9.33 this procedure are insufficient to fully fund 97 percent of the court-ordered refund, the  
9.34 county treasurer of the county in which the action was brought shall file a claim with the  
9.35 commissioner of revenue under section 16A.48 for the remaining portion of 97 percent of  
10.1 the refund, and shall pay over the remaining portion upon receipt of a warrant from the  
10.2 state issued pursuant to the claim.

10.3 (d) When any mortgage covers real property located in more than one county in this  
10.4 state the total tax must be paid to the treasurer of the county where the mortgage is first  
10.5 presented for recording, and the payment must be receipted as provided in paragraph (a).  
10.6 If the principal debt or obligation secured by such a multiple county mortgage exceeds  
10.7 \$1,000,000, the nonstate portion of the tax must be divided and paid over by the county  
10.8 treasurer receiving it, on or before the 20th day of each month after receipt, to the county  
10.9 or counties entitled in the ratio that the market value of the real property covered by the  
10.10 mortgage in each county bears to the market value of all the real property in this state  
10.11 described in the mortgage. In making the division and payment the county treasurer shall  
10.12 send a statement giving the description of the real property described in the mortgage and

10.13 the market value of the part located in each county. For this purpose, the treasurer of any  
10.14 county may require the treasurer of any other county to certify to the former the market  
10.15 valuation of any tract of real property in any mortgage.

10.16 (e) The mortgagor must pay the tax imposed by sections 287.01 to 287.12. The  
10.17 mortgagee may undertake to collect and remit the tax on behalf of the mortgagor. If the  
10.18 mortgagee collects money from the mortgagor to remit the tax on behalf of the mortgagor,  
10.19 the mortgagee has a fiduciary duty to remit the tax on behalf of the mortgagor as to the  
10.20 amount of the tax collected for that purpose and the mortgagor is relieved of any further  
10.21 obligation to pay the tax as to the amount collected by the mortgagee for this purpose.

10.22 Sec. 4. Minnesota Statutes 2006, section 287.241, is amended to read:

10.23 **287.241 STATEMENT OF TAX DUE OR EXEMPTION; RECORDING OR**  
10.24 **REGISTERING OF DOCUMENTS.**

10.25 Subdivision 1. **Statement of tax due or exemption.** No deed or instrument, taxable  
10.26 under the provisions of section 287.21, shall be recorded unless it contains the statement  
10.27 of the grantor or grantee, or any successor in interest, setting forth the amount of tax due  
10.28 under this chapter or that it is exempt from tax. The county recorder or registrar of titles  
10.29 shall record any deed or instrument when the statement sets forth that the transfer is tax  
10.30 exempt, or when documentary stamps or the treasurer's receipt appear for the amount of  
10.31 deed tax recited in the statement. Deeds or other instruments taxable under section 287.21  
10.32 recorded electronically shall have the deed tax data affixed electronically. The validity or  
10.33 effectiveness of a deed or instrument as between the parties, and as to any person who  
10.34 would otherwise be bound, is not affected by the failure to comply with this section. If a  
11.1 deed or instrument is accepted for recording contrary to this section, the failure to comply  
11.2 does not destroy or impair the record of the deed or instrument as notice.

11.3 Subd. 2. **Notice of certificate of value.** No deed or instrument providing for the  
11.4 transfer of title to real property that is subject to the tax as provided in section 287.21, and  
11.5 no executory contract for the sale of land, shall be recorded unless such deed or instrument  
11.6 is accompanied by a notice from the county auditor that a certificate of value was filed in  
11.7 the auditor's office as provided in section 272.115. Documents subject to this provision  
11.8 that are filed electronically must include the certificate of value number assigned by the  
11.9 electronic certificate of value system established by the Department of Revenue.

11.10 Sec. 5. Minnesota Statutes 2006, section 287.25, is amended to read:

11.11 **287.25 PAYMENT OF TAX; STAMPS.**

11.12 Except for documents filed electronically, the county board shall determine the  
11.13 method for collection of the tax imposed by section 287.21:

11.14 (1) The tax imposed by section 287.21 may be paid by the affixing of a documentary

11.15 stamp or stamps in the amount of the tax to the document or instrument with respect to  
11.16 which the tax is paid, provided that the county board may permit the payment of the  
11.17 tax without the affixing of the documentary stamps and in such cases shall direct the  
11.18 treasurer to endorse a receipt for such tax upon the face of the document or instrument.  
11.19 Documents submitted electronically must have the deed tax data affixed electronically and  
11.20 the tax paid as provided in section 287.08.

11.21 (2) The tax imposed by section 287.21 may be paid in the manner prescribed by  
11.22 section 287.08 relating to payment of mortgage registration tax.

11.23 Sec. 6. Minnesota Statutes 2006, section 386.03, is amended to read:

11.24 **386.03 RECEPTION INDEX.**

11.25 Every county recorder shall keep an index, to be denominated as a grantor's and  
11.26 grantee's reception index, which shall contain the following information: date of reception,  
11.27 year, month, day, hour and minute, grantor and grantee, where situated, to whom delivered  
11.28 after recording, fees received, instrument number, and kind of instrument.

11.29 The recorder shall enter in the index, in the order and manner aforesaid, as soon as  
11.30 the same are received, all deeds and other instruments ~~left, and all copies left, as cautions or~~  
11.31 ~~notices of liens,~~ authorized by law to be recorded. The reception index shall be maintained  
11.32 in alphabetical order, and every entry made therein shall be made in the reception index  
11.33 under the grantor's surname, and under the grantee's surname, and all such entries shall  
11.34 appear therein consecutively and in the order as to time in which the instruments were  
12.1 received. The recorder shall make an entry in the record immediately for each instrument  
12.2 recorded specifying the time of the day, month, and year when the same was recorded.

12.3 Sec. 7. Minnesota Statutes 2006, section 386.19, is amended to read:

12.4 **386.19 RECORD BOOKS, INDEXES.**

12.5 The county recorder shall keep suitable word for word records by either manual or  
12.6 electronic means of all instruments ~~left with~~ delivered to the recorder for record keeping.  
12.7 The recorder shall keep an alphabetical index either by manual or electronic means, to  
12.8 record, under the proper letter of the alphabet, the name of each grantor and grantee of any  
12.9 instrument ~~left~~ delivered for ~~record~~ recording.

12.10 Sec. 8. Minnesota Statutes 2006, section 386.26, subdivision 1, is amended to read:

12.11 Subdivision 1. **Counties over 100,000.** The county recorder in each county  
12.12 having a population of over 100,000 is hereby authorized and directed to transcribe in  
12.13 appropriate records in writing or by electronic media to be provided by the county for  
12.14 such purpose and to appropriately index all instruments affecting: lists of lands selected  
12.15 by railroad companies under grants from the United States or the state of Minnesota; and

12.16 all instruments affecting: condemnation proceedings; awards of damages in condemnation  
12.17 proceedings; building line easements; easements for slopes; easements for electric light  
12.18 and telephone poles; now on file in the recorder's office and which have not heretofore  
12.19 been recorded.

12.20 Sec. 9. Minnesota Statutes 2006, section 386.31, is amended to read:

12.21 **386.31 CONSECUTIVE NUMBERING.**

12.22 Each county recorder shall endorse plainly upon each instrument received for record  
12.23 as soon as received a number consecutive, to the extent practicable, to the number affixed  
12.24 to the instrument next previously received and enter such number as a part of the entry  
12.25 relating to such instrument in all the indexes kept in the office and on the margin of the  
12.26 record of the instrument, and such number shall be prima facie evidence of priority of  
12.27 registration. If more than one instrument shall be received at the same time, by mail or  
12.28 other like enclosure, the recorder shall affix such number in the order directed by the  
12.29 sender; if no direction be given, then in the order in which the instruments actually come  
12.30 to the recorder's hand in opening the enclosures recorder.

13.1 Sec. 10. Minnesota Statutes 2006, section 386.409, is amended to read:

13.2 **386.409 COUNTY RECORDER'S OFFICIAL SIGNATURE.**

13.3 When the county recorder's official signature, or that of a deputy is required under  
13.4 section 386.41, an electronically generated facsimile signature or name may be used.

13.5 Sec. 11. Minnesota Statutes 2006, section 507.093, is amended to read:

13.6 **507.093 STANDARDS FOR DOCUMENTS TO BE RECORDED OR FILED.**

13.7 The following standards are imposed on documents to be recorded with the county  
13.8 recorder or the registrar of titles other than by electronic means as provided in section  
13.9 507.24:

13.10 (1) The document shall consist of one or more individual sheets measuring no larger  
13.11 than 8.5 inches by 14 inches.

13.12 (2) The form of the document shall be printed, typewritten, or computer generated in  
13.13 black ink and the form of the document shall not be smaller than 8-point type.

13.14 (3) The document shall be on white paper of not less than 20-pound weight with no  
13.15 background color or images and, except for the first page, shall have a border of at least  
13.16 one-half inch on the top, bottom, and each side.

13.17 (4) The first page of the document shall contain a blank space at the top measuring  
13.18 three inches, as measured from the top of the page, and a border of one-half inch on each  
13.19 side and the bottom. The right half of the blank space shall be reserved for recording  
13.20 information and the left half shall be reserved for tax certification. Any person may attach

13.21an administrative page before the first page of the document to accommodate this standard.  
13.22The administrative page may contain the document title, document date, and, if applicable,  
13.23the grantor and grantee, and shall be deemed part of the document when recorded.  
13.24 (5) The title of the document shall be prominently displayed at the top of the first  
13.25page below the blank space referred to in clause (4), or on the administrative page.  
13.26 (6) No additional sheet shall be attached or affixed to a page that covers up any  
13.27information or printed part of the form.  
13.28 (7) A document presented for recording must be sufficiently legible to reproduce  
13.29a readable copy using the county recorder's or registrar of title's current method of  
13.30reproduction.

13.31 Sec. 12. Minnesota Statutes 2007 Supplement, section 507.24, subdivision 2, is  
13.32amended to read:

13.33 Subd. 2. **Original signatures required.** (a) Unless otherwise provided by law, an  
13.34instrument affecting real estate that is to be recorded as provided in this section or other  
14.1applicable law must contain the original signatures of the parties who execute it and of the  
14.2notary public or other officer taking an acknowledgment. However, a financing statement  
14.3that is recorded as a filing pursuant to section 336.9-502(b) need not contain: (1) the  
14.4signatures of the debtor or the secured party; or (2) an acknowledgment.  
14.5 (b)(1) Any electronic instruments, including signatures and seals, affecting real  
14.6estate may only be recorded as part of a pilot project for the electronic filing of real  
14.7estate documents implemented by the task force created in Laws 2000, chapter 391, or  
14.8by the Electronic Real Estate Recording Task Force created under section 507.094. The  
14.9Electronic Real Estate Recording Task Force created under section 507.094 may amend  
14.10standards set by the task force created in Laws 2000, chapter 391, in conformance with  
14.11standards implemented by the Electronic Real Estate Recording Commission created  
14.12under the Minnesota Real Property Electronic Recording Act, sections 507.0941 to  
14.13507.0948. The Electronic Real Estate Recording Commission created under the Minnesota  
14.14Real Property Electronic Recording Act may adopt or amend standards set by the task  
14.15force created in Laws 2000, chapter 391, and the Electronic Real Estate Recording Task  
14.16Force created under section 507.094 and may set new or additional standards and establish  
14.17pilot projects to the full extent permitted in section 507.094, subdivision 2, paragraph (b)  
14.18507.0945. Documents recorded in conformity with those standards and in those pilot  
14.19projects the standards created as part of a pilot project for the electronic filing of real estate  
14.20documents implemented by the task force created in Laws 2000, chapter 391, or by the  
14.21Electronic Real Estate Recording Task Force created under section 507.094 are deemed  
14.22to meet the requirements of this section.  
14.23 (2)(i) A county that participated in the pilot project for the electronic filing of real

~~14.24~~ estate documents under the task force created in Laws 2000, chapter 391, may continue to  
~~14.25~~ record or file documents electronically, if:

~~14.26~~ (A) the county complies with standards adopted by the task force; and

~~14.27~~ (B) the county uses software that was validated by the task force.

~~14.28~~ (ii) A county that did not participate in the pilot project may record or file a real  
~~14.29~~ estate document electronically, if:

~~14.30~~ (A) the document to be recorded or filed is of a type included in the pilot project

~~14.31~~ for the electronic filing of real estate documents under the task force created in Laws  
~~14.32~~ 2000, chapter 391;

~~14.33~~ (B) the county complies with the standards adopted by the task force;

~~14.34~~ (C) the county uses software that was validated by the task force; and

~~15.1~~ (D) the task force created under section 507.094, votes to accept a written

~~15.2~~ certification of compliance with paragraph (b), clause (2), of this section by the county

~~15.3~~ board and county recorder of the county to implement electronic filing under this section.

~~15.4~~ (c) Notices filed pursuant to section 168A.141, subdivisions 1 and 3, need not

~~15.5~~ contain an acknowledgment.

~~15.6~~ Sec. 13. Minnesota Statutes 2006, section 507.40, is amended to read:

~~15.7~~ **507.40 MORTGAGES, HOW DISCHARGED.**

~~15.8~~ A mortgage may be discharged by filing for record a certificate of its satisfaction

~~15.9~~ executed and acknowledged by the mortgagee, the mortgagee's personal representative,

~~15.10~~ or assignee, as in the case of a conveyance. ~~The county recorder shall enter the number~~

~~15.11~~ of such certificate and the book and page of its record upon the record of the mortgage

~~15.12~~ or on a microfilm card whenever possible. In all cases the discharge shall be entered in

~~15.13~~ the reception book and indexes as conveyances are entered. If a mortgage be recorded in

~~15.14~~ more than one county and discharged of record in one of them, a certified copy of such

~~15.15~~ discharge may be recorded in another county with the same effect as the original. If the

~~15.16~~ discharge be by marginal entry, heretofore made, such copy shall include the record of the

~~15.17~~ mortgage. ~~In all cases the discharge shall be entered in the reception book and indexes as~~

~~15.18~~ conveyances are entered.

~~15.19~~ Sec. 14. Minnesota Statutes 2006, section 507.46, subdivision 1, is amended to read:

~~15.20~~ Subdivision 1. **Form of certificate.** A county recorder or registrar of titles shall

~~15.21~~ accept for recording a document that is not written prepared in the English language, but is

~~15.22~~ otherwise in recordable form, if there is appended to the non-English language document

~~15.23~~ a translation of the document into the English language and a certificate of translation in

~~15.24~~ substantially the following form:

15.25 CERTIFICATE OF TRANSLATION

15.26 State of Minnesota

15.27 County of .....

15.28 I certify that the attached English language document is a complete and accurate

15.29 translation of the attached document from the ..... language.

15.30 .....

15.31 Signature of translator

15.32 .....

16.1 Typed or printed name

16.2 .....

16.3 Street Address

16.4 .....

16.5 City, State, and Zip Code

16.6 .....

16.7 Telephone number

16.8 .....

16.9 Subscribed and sworn to before me this .....

16.10 day of ....., 20.....

16.11 .....

16.12 Notary public