

**Electronic Real Estate Recording Task Force
12 June 2003**

Present: Jeanine Barker, Julie Bergh, Jeff Carlson, Michael Cunniff, Susan Dioury, Don Goedken, Bob Horton, Rep. Al Juhnke, Secretary Mary Kiffmeyer, Denny Kron, Carol Leonard, Gail Miller, Leonard Peterson, Eileen Roberts, Dennis Unger. Guests: Bert Black, Luci Botzek, Lowell Haagenon, Greg Hubinger, Erin Hultgren, Scott Loomer, Beth McNerny, Joel Beckman, Bill Mori.

1. Call to order

Secretary Kiffmeyer called the meeting to order at 9.35. Joel Beckman and Jeff Carlson described the first successful test of e-recording at Dakota County by US Recording. To date, 350 satisfactions have been submitted. Only eight have been rejected, which is a much lower rate than that for paper submissions. US Bank is currently using the US Recording application; Bremer Bank and NWA Mortgages will soon be connected. Certificates of release will be filed electronically soon.

2. Approval of 8 May 2003 minutes

The minutes from the 8 May meeting were approved as distributed.

3. Project coordinator update

Beth McNerny reported that the bill to sustain funding passed the legislature and will include Torrens filings. She distributed a report from Will Craig on a statewide parcel map inventory. With Bert Black, Beth McNerny has looked at groups that reward innovative government technology projects. She will keep track of deadlines for 2004 awards.

The revenue for the task force so far totals \$1,460,920. For cumulative expenses, \$7,721.47 remains uncommitted for the task force and \$235,920 for the pilots. \$50,000 is allocated for support from the Legislative Coordinating Commission for FY03 and FY04.

Last week, McNerny and Erin Hultgren reported on the task force to the MCCC. Jeanine Barker and Rick Kvien also spoke. Several counties asked when they could begin to participate. On 19 June, McNerny and representatives from pilot counties will speak to the Minnesota County Recorders conference.

Secretary Kiffmeyer will work to arrange a presentation on the task force at the November conference of the National Electronic Commerce Coordinating Commission. Joel Beckman said that one reason for Minnesota's success was probably the quality of the planning and especially the close work with submitters; few other states have laid the foundation for e-recording as effectively. Timing, especially with the explosion in the volume of submissions, has also encouraged submitters to participate. Mike Cunniff added that the development of a non-proprietary standard for the documents has also supported the effort.

Schema reviews for deeds and assignments will soon be scheduled. The CRV schema will be evaluated with the Department of Revenue. Cunniff moved and Dennis Unger seconded that the task force will not

do a schema for the Affidavit of Purchaser document, as the legislature has repealed the requirement for it. The motion passed unanimously. As Pam Trombo completes the drafts of the schemas, they will be posted to the task force's web site with change control associated to denote changes made to that version.

Joel Beckman said that it was not clear if alternative payment methods are legal currently, but that it will be an important issue as mortgages and deeds will only be practical if ACH payments are available. Dakota will go ahead and set up the process with the assumption that it is legal. The question will be referred to the Legal Subcommittee.

4. Pilot activity status report

Erin Hultgren reported for Navis on the status of the pilots. All counties are now working on the baseline measurements. All except Hennepin are using the measurements recommended by the task force. Mike Cunniff explained that Hennepin wishes to measure only the aggregate of documents filed, rather than each type of document separately. This exception would require that this be taken into account in any comparative analysis of the pilot results. Secretary Kiffmeyer noted that the task force passed a motion setting the standards for measurement for all pilots. Carol Leonard said that not all documents are equal; some demand more time and attention. Joel Beckman felt that it was unlikely that all the documents covered in Phase 2 will not be created and submitted digitally. McNerny stated that there is critical importance in having a consistent measurement across all pilot counties and that a pilot test of Satisfactions needs to have a baseline measurement using just Satisfactions.

Jeanine Barker moved and Susan Dioury seconded that the counties should use a consistent approach to measurement. The motion passed unanimously. Mike Cunniff said that Hennepin could follow Dakota's methodology for weighting documents within the overall context of its recording volume. Navis will work with the pilot counties to refine the measurements to develop a consistent and fair approach next week at the recorders' conference. It would also be important to include a variety of benefits in the analysis, over and above savings, as for example, customer service and satisfaction.

Hultgren added that Roseau is negotiating with trusted submitters. Secretary Kiffmeyer said that a county had to have submitters in order to qualify for support as a pilot.

Non-ERER pilot county participation

McNerny reported that some counties and submitters are wondering when they could move to electronic recording even though they are not pilots. Secretary Kiffmeyer said the current legislation only allows for pilot counties to make the transition to e-recording. Jeanine Barker moved and Susan Dioury seconded that the task force will continue to test e-recoding and then, after analysis and evaluation of the results, it will re-visit the issue and, during the next legislative session, consider the proposal of legislation enabling all counties to use e-recording as recommended. In the interim, only pilot counties with signed contracts and approved trusted submitters can do e-recording.

5. Policy Statement Regarding ERER Vendor Communications

A policy statement articulating those authorized to speak for the task force, parameters of the Minnesota pilot and qualified participants of the pilot was presented and discussed. Lowell Haagenson noted that in his discussions he does identify e-filing data that he mentions as coming from other states and will continue to make clear from what state his information comes. The task force considered this language and it was approved without objection as presented. A copy of the language will be on the ERERTF web site.

6. Pilot Phase II Subcommittee

In an effort to be prepared for phase II activity a Phase II Subcommittee was identified as a need. Dennis Unger moved and Denny Kron seconded that Jeff Carlson chair this subcommittee. The following were identified as participants at these meetings: Chuck Parsons, Mike Cunniff, Carol Leonard, Jeanine Barker, Julie Bergh, Denny Kron, Leonard Peterson, Jeff Carlson (chair), Bill Mori, Joe Witt, Larry Dalien, Dennis Unger, Marie Kunze (Hennepin), Gail Miller. All pilot county Auditor and Treasurer members are encouraged to attend along with MCCC and MRIS technology representative. McInerny will work to contact these members.

Jeff Carlson took a moment to thank all those involved in the ERERTF Phase I effort. He noted special thanks to Dakota County's MIS staff. Without everyone's collaborative efforts none of this would have been possible. Joel Beckman thanked the task force for allowing Dakota to be a pilot and thanked Jeff Carlson as well.

Adjournment

The meeting adjourned at 11:50