

States Adopt PRIA eRecording Data Standards

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URPERA eRecording Commissions Publish Reports

Seven states – North Carolina, Virginia, Kansas, Arizona, Florida, Wisconsin and New Mexico – have adopted the PRIA eXtensible Mark-up Language (XML) eRecording data standards under the authority given to their respective Electronic Recording Commission or Council (ERC). North Carolina, Virginia and Arizona have published final reports that reference the PRIA standards, while the remaining four commissions are awaiting pro forma approval from either a state agency or the state legislature. ERCs are statewide standard-setting bodies authorized when states enacted the Uniform Real Property Electronic Recording Act (URPERA).

Helen Purcell, Maricopa County AZ Recorder and Chair of the AZ Electronic Recording Commission, cited “the need to utilize the national standards as Arizona Recorders participate in the digital world. The use of PRIA’s published eRecording data standards allowed our Commission to complete its task and adopt Arizona’s standards.”

Judy Gibson, Register of Deeds in Mecklenburg County NC and Member of the NC Electronic Recording Council, sees the electronic space in the same way: “The North Carolina Electronic Recording Council realized early on the importance of standards and how they facilitate the conduct of eBusiness globally. We relied heavily on the PRIA standards while developing our position on eRecording. We believe the standards help North Carolina align with other states and jurisdictions that have or will adopt the PRIA standards as their eBusiness framework.”

Over 37 percent of the jurisdictions, or a total of 18 states and the District of Columbia, have enacted the uniform act since 2005. In addition to the seven states discussed earlier, Arkansas, Delaware, Idaho, Illinois, Nevada, Tennessee, Texas and Washington are in various stages of URPERA standards development. Minnesota has recently enacted URPERA while enactment awaits the respective governors’ signatures in South Carolina and Connecticut. Other state legislatures deliberating passage of URPERA in 2008 are Hawaii, Kentucky, Massachusetts, Oklahoma and West Virginia.

URPERA Background

In late 2004, the National Conference of Commissioners for Uniform State Laws (NCCUSL) released the URPERA for passage by state legislatures across the country. The NCCUSL website states, “URPERA builds upon existing electronic transactions laws, in particular the Uniform Electronic Transactions Act (UETA) and the federal Electronic Signatures in Global and National Commerce Act (ESIGN). The act authorizes, but does not mandate, that local land records officials begin accepting records in electronic form, store electronic records, convert existing records into electronic form and set up systems for searching and retrieving these land records. Equally important, URPERA designates a state authority to set general and technical standards for the practice and process of electronic recording in the enacting state.” Under URPERA, that “state authority” is the formation of a statewide ERC.

URPERA goes further than UETA and ESIGN by establishing an ERC, either within an existing state agency or as a separate statewide entity, to develop and maintain uniform eRecording standards for recording jurisdictions that decide to implement an eRecording solution. PRIA estimates that approximately 335 recorders, or about 10 percent of recording jurisdictions, are eRecording.

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The ERC concept is an essential part of the URPERA and its role in fostering the adoption of eRecording and eMortgages is extremely important. Its purpose is to expressly promote:

- Ease of use of the eRecording application or system;
- Interoperability of systems across recording jurisdictions and with submitters; and
- Interstate commerce between recorders and their trading partners, such as national lenders and title companies

State ERCs consider a number of factors when adopting eRecording standards and practices, including the standards “promulgated by national standard-setting bodies, such as the Property Records Industry Association (PRIA).” ERC members include recorders, representatives of title companies and mortgage bankers, real estate attorneys and other interested parties of property records. Deadlines are usually included in the enacted URPERA for completion of the ERC’s work.

The experience of ERC members varies, but can be suitably summed up by John Bartolac, Johnson County KS Recorder and Chair of the Kansas Electronic Recording Commission: “The process of developing statewide standards has been an exciting, educational and revealing experience. As a commission, we had to learn about eRecording as we developed the standards.”

State ERC Standards Report:

Seven states have adopted the PRIA standards. Although every state report did not include all of the topics, each report did cite the importance of defining the data requirements for eRecording and leveraging the national data standards promulgated by PRIA.

- Data Standards
- Web Portals
- Security (both at the transaction level and between organizations)
- Business Rules
- Electronic Signatures
- Notary Acknowledgment
- Document or File Formats for Electronic Recording
- Processing eRecording Transactions
- Records Retention and Preservation
- Payment of Recording Fees
- Memorandum of Understanding (between Recorder and Submitter)

According to Martha O. Haynie, Orange County FL Comptroller and Chair of the Florida Electronic Recording Advisory Committee (FERAC), “It was clear to the members of our Advisory Committee that having access to those standards made our task so much easier. We were able to complete our work after only four meetings and deliver our report to the Florida Secretary of State’s Office in four months. That would not have been possible without the ground-breaking work already accomplished by PRIA.”

The National Perspective

National uniform eRecording standards are becoming a reality. PRIA President Carol Foglesong observed, “It is gratifying to see that states adopting eRecording standards are relying on PRIA’s published eRecording standards. PRIA set out to develop standards and guidelines that could work around the country, and clearly PRIA’s goal as a standard-setting organization is being recognized.”

How PRIA connects with the rest of the real estate finance industry is also crucial and is accomplished by its alliance with the Mortgage Industry Standards Maintenance Organization (MISMO). Harry Gardner, MBA’s Vice President of Industry Technology and head of MISMO, acknowledged, “It is great to see more states recognizing and supporting the tremendous value of technology standards for the mortgage industry by adopting the PRIA eRecording standards. As alliance partners, MISMO and PRIA have worked together closely for several years, publishing standards and guidance for eMortgage and eRecording that allow everyone to save time and money through open interoperability.”