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SIMPLIFYING RECORDS MANAGEMENT NEEDS
 FOR GOVERNMENTS AROUND THE WORLD

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Making the Case for eRecording

excerpted from [Progress in Lending 6/17/13](#)

National Title Clearing states that, amidst the changes occasioned by new regulations and compliance standards in the mortgage industry, electronic recording or "eRecording" may make things easier and should not be overlooked as a potential source for relief. In addition to eRecording saving environmental resources, staffing resources also become available by alleviating redundant or unnecessary work. Thus, potentially allowing mortgage lenders and servicers to refocus key resources toward important issues, such as compliance to the latest wave of regulations and improving accuracy.

In the past year, the volume of documents sent by NTC to record electronically has gone from 10% of volume being sent via eRecord in May, 2012, to 45% being sent via eRecord more recently. With such positive growth, NTC officials predict that eRecording will become even more widely accepted in the mortgage industry and are driving initiatives to increase adoption. ([Read complete article.](#))



News from PREP Chapters

PREP Chapter meeting summaries are posted every two weeks. In this Newsletter edition you'll read about the [SE Minnesota PREP Chapter](#). And please go to [PRIA's PREP webpage](#) anytime to see minutes and agendas from all PREP Chapters.

SE Minnesota PREP Chapter:

Co-chairs: Government, Kelly Callahan at kelly.callahan@co.freeborn.mn.us and Business, Jim Ohly at jim@ohlylaw.com



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In This Issue
Making the Case for eRecording
News from PREP Chapters - SE Minnesota

The SE Minnesota PREP Chapter met on May 8, 2013. Agenda items included: 1) Discussion of current eRecording issues including notary seals, Torrens documents, eRecording doc types currently being accepted, and eRecording fees; 2) Legislative updates regarding multiple document changes; 3) FNMA/FHLMC litigation updates (regarding not paying State Deed Tax when transferring foreclosed properties); 4) Requirements for recording mortgages in multiple states; 5) "New" UCC forms; 6) MERS litigation updates in Ramsey County (the hearing on this has moved to Federal Court and will be taking place in late June); 7) Recorder updates and news from Winona, Olmsted, Freeborn, Mower, and Fillmore counties. This Chapter will again meet on August 7, 2013. ([Read complete minutes on the PRIA/PREP website.](#))



Threat of "Too-Big-to-Fail" Megabanks Continues to Loom

excerpted from [National Mortgage Professional 6/26/13](#)

The Independent Community Bankers of America (ICBA) has told Congress that the greatest ongoing threat to the safety and soundness of the U.S. financial system is the dominance of a small number of "too-big-to-fail" megabanks. In a statement for the House Financial Services Committee hearing on taxpayer-funded bailouts, "Examining How the Dodd-Frank Act Could Result in More Taxpayer-Funded Bailouts," ICBA wrote that a more diverse financial system would reduce risk and promote competition, innovation and the availability of credit to consumers and businesses.

"Addressing the threat posed to taxpayers, our financial system, and the economy by a few too-big-to-fail firms is a top priority for community banks," ICBA wrote. "The U.S. will not have a robust and truly competitive market for financial services until the too-big-to-fail problem is definitively resolved." ICBA's statement notes that four years after the Wall Street financial crisis, the nation's largest megabanks have grown by more than \$1 trillion in assets due to government support and its distortionary impact on market competition.

The government too-big-to-fail subsidy for megabanks is worth an estimated \$83 billion per year, according to Bloomberg View, offering these firms a clear competitive advantage, fueling further industry concentration and increasing systemic risk. Meanwhile, Washington's response to the financial crisis of stricter banking regulations too often affects even the low-risk community banks that did not cause the crisis and pose no systemic threats, posing disproportionate burdens on these institutions and the communities they serve. ([Read complete article.](#))

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PRIA Annual Conference is in Minneapolis from August 26-30, 2013

Threat of "Too-Big-to-Fail" Megabanks
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eRecording Roundup
Indecomm SVP Receives Award
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Examples of PRIA's Products

- ["The History of Public Records"](#)
- ["The Impact of Fraud on the Real Estate Industry"](#)
- ["How to get Ready for eRecording"](#)
- ["Access to and Sale in Bulk of Land Records"](#)
- [\(other PRIA Standards and Publications\)](#)

PREP Chapter Meetings

Summer 2013

Metro Minnesota
New York
SW Minnesota
Central Florida
Pennsylvania
Central Texas
North Central Texas

Contact Information

Do you have questions or suggestions for this newsletter or any updated information on co-chairs, emails, phone numbers, etc. please contact us:

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St Louis County, Minnesota
[Madeleine Nagy](#)
PREP Committee Business Co-Chair, ALTA
State Government Affairs

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A preliminary schedule has been loaded to the [PRIA website](#) for those anxious to know what is in store in Minneapolis at the Annual Conference. As sessions are confirmed and speakers/panelists identified, the schedule will be updated.

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eRecording roundup: St. Louis County, Erie County, Allen County and more

excerpted from [The Title Report 6/21/13](#)

eRecording is spreading across the nation, one county at a time. Here are some of the latest dominos to fall over the last few weeks.

St. Louis County

Simplifile, the nation's largest eRecording service provider, reported that after a year and half of hard work and creating an entirely new interface to electronically record documents, St. Louis County, Minn., is now accepting electronic documents for recording.

"It wasn't a matter of flipping on a switch for eRecording," said St. Louis County Public Records and Property Valuation Director Mark Monacelli. "We had to re-write our entire database using current technology and write a state of the art application to convert our paper-based Torrens registration system to a fully integrated electronic model along with creating a whole new interface to begin eRecording."

According to Monacelli, although the process took longer than expected, the county is excited to have this new capability and is working hard to expand the types of documents that can be electronically recorded. Monacelli was a major proponent in the history of eRecording.

"We feel privileged to be able to work with St. Louis County and Mark Monacelli," said Paul Clifford, president of Simplifile. "Mark is often referred to as the 'evangelist' or 'godfather' of e-recording. He was a driving force behind what is in the marketplace today, and as the eRecording industry liaison and president of the [Property Records Industry Association \(PRIA\)](#), he led a team of hardworking, passionate people who helped to create XML data standards in alliance with the Mortgage Industry Standards Maintenance Organization (MISMO), and traveled all over the country, trying to get e-recording going back when no one knew what it was. Without question, we are honored to celebrate this milestone for St. Louis County with him."

St. Louis County is the 57th Minnesota recording jurisdiction to eRecord with Simplifile and is currently accepting mortgage satisfactions and assignments.

Santa Cruz County

Land document submitters including title companies, banks and attorneys, now have the ability to eRecord documents in Santa Cruz County, Calif., through

Simplifile.

"eRecording will bring many time and cost-saving benefits to Santa Cruz County and its submitters," said Paul Clifford, president of Simplifile. "Many of our customers have been anxious for this announcement and we are excited to be up and running in our 15th California county."

With 15 counties now eRecording, 25 percent of California's recording jurisdictions are now accessible for Simplifile customers to submit documents electronically. With the ability to securely process payments via Automated Clearing House (ACH) through Simplifile, check-writing expenses are eliminated as well as reduced payment errors or lost or stolen checks.

Erie County

Erie County, N.Y., also has initiated eRecording with Simplifile. "This e-recording technology will save time, paper and money for both the person closing on the mortgage and for the government responsible for the recording," said Erie County Clerk Chris Jacobs. "There are significant productivity benefits to eRecording as it relates to our staff. This office handled over 70,000 mortgage and mortgage-related transactions last year, so moving even some of that to paperless is huge in terms of efficiency."

Jacobs also believes larger financial institutions will be the first to take advantage of the newly available service. Erie County is the sixth county in the state of New York to adopt eRecording after Westchester, Rockland, Oneida, Livingston, and Washington counties. There are currently more than 915 recording jurisdictions throughout the nation that have started eRecording with Simplifile.

Allen County

Cara Barkdoll, register of deeds for Allen County, Kan., announced expanded eRecording services by adding Corporation Service Co. (CSC) as an approved eRecording vendor. Allen County has offered electronic document recording services since February 2013. Its partnership with CSC will allow even more document submitters to electronically submit land records for recordation. CSC's submitters include a majority of the nation's largest banks and virtually all the major title insurance companies, among others.

"We're looking forward to a long relationship with CSC," Barkdoll stated. "We're confident that this new partnership will allow us to quickly and economically process even more electronic document recording submissions." Formerly known as Ingeo Systems, CSC's eRecording division pioneered electronic document recording in the U.S. and was recently recognized for its innovations by the 2012 Mortgage Technology Awards. ([Read complete article.](#))



Indecomm SVP Receives Award

excerpted from [The Title Report 6/21/13](#)

Jeff Carlson, senior vice president, Indecomm Global Services, has been awarded

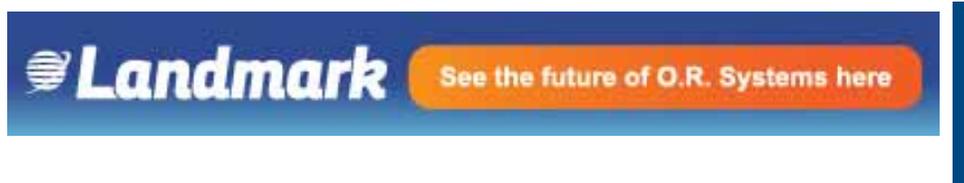
the Minnesota County Recordors Association (MCRA) Distinguished Service Award. This award was presented during MCRA's Annual Conference from June 11-15. It is given to individuals outside the recorder's association who have worked with recorders to improve public/private cooperation. Carlson has over twenty-five years of experience in the title and real estate document recording industries and has been instrumental in developing recording technology platforms. Indecomm Global Services is a leader in business process outsourcing, learning and technology solutions.

"Jeff has been a friend and supporter of the Minnesota County Recordors Association for many years," said Kay Wrucke, MCRA member and county recorder for Martin County, Minnesota. "Jeff has helped us see the other side of how the business works in recording. I am very pleased to be able to give him this award."

"County recorders and their staff have been very important in the development of my career," Carlson said. "I greatly appreciate receiving this award, which is recognition of the efforts that myself and my colleagues have made in helping counties operate more efficiently with the private sector."

In addition to his involvement with the MCRA, Carlson is currently chair of the Minnesota Electronic Real Estate Recording Commission. He also holds an advisory position on the Board of the Minnesota Land Title Association and is a member and co-chair at the Property Records Industry Association.

MCRA is an educational and training association, which is one of two organizations that comprise the Minnesota Association of County Officers (MACO). All 87 counties in Minnesota are members of MACO.



ALTA NEWS: excerpts from the 6/24/13 ALTA Advocacy Update by Michelle Korsmo, ALTA CEO

"To paraphrase comedian Jeff Foxworthy, you know you're a land title geek when the highlight of your week was a tour of a registry of deeds office. In this case, it was a behind-the-scenes tour of the Barnstable County, MA, registry office courtesy of Assistant Register of Deeds Dave Murphy and Ruth Dillingham of First American.

I was in Massachusetts for the New England Land Title Association convention and was pleased that Dave and Ruth offered to show me the inner workings of their registry office. As a community formed as part of the Plymouth Colony in 1685, the Barnstable registry includes some interesting historic title records. Barnstable County is also an interesting jurisdiction because roughly 25 percent of the land is Torrens.

Recording in Barnstable County is impressive. The documents are submitted to be recorded, documents are scanned and quality control checked by the office staff, the originals are returned to the filer and the registered documents are online within

an hour. Also, thanks to Ruth's husband Robert Curran, I got to see a little bit of abstracting in person. The whole experience was a blast. Thanks to Dave, Ruth and Robert for the great experience.

Title Insurance Discussed at House Hearing on Qualified Mortgage

At last Tuesday's hearing in the House Financial Services Committee's Financial Institutions subcommittee, a consumer group witness used the 2007 GAO report on title insurance to argue in opposition to HR 1077, the Consumer Mortgage Choice Act. As a reminder, HR 1077 would amend the ability to repay/Qualified Mortgage provision (Section 1412) in Dodd-Frank to exclude title and certain escrow charges if they are paid to an affiliate of the originator under the law's calculation for the 3-percent cap for points and fees. Title charges paid to non-affiliated agents are already excluded. The stated topic of the hearing was the impact of the Consumer Financial Protection Bureau's (CFPB) recently issued Qualified Mortgage ("QM") rule on housing. Witnesses included representatives from the Conference of State Bank Supervisors, the National Association of Federal Credit Unions, the American Bankers Association, the Mortgage Bankers Association, the National Association of Realtors and the Center for Responsible Lending. You can read the opening statements and watch an archived webcast of the hearing [here](#).

As a reminder, if you want to weigh in on this issue, I encourage you to reach out to ALTA staff for more information or to learn how you can take action. If you have any questions please contact ALTA's vice president of government and regulatory affairs Justin Ailes at justin@alta.org or 202-261-2937.

Supreme Court to Hear Arguments in Recess Appointment Case that Could Impact CFPB

- On Monday 6/24, the Supreme Court of the United States agreed to hear a case that would allow them to define when the President can act alone to fill vacant government posts through a recess appointment. The case, *National Labor Relations Board v. Noel Canning* is on appeal from the United States Circuit Court for the District of Columbia, which found that the recess appointment power extends only to inter-session recesses-recesses between official sessions of Congress-and not to intra-session recesses.

Since the Noel Canning ruling was issued in January, the case has gotten a lot of attention because of its potential impact not just on the NLRB, but also on the Consumer Financial Protection Bureau. CFPB Director Richard Cordray was appointed via recess appointment at the same time as the NLRB appointments in question. There are a number of cases working their way through the courts challenging Director Cordray's authority using this opinion. ALTA will monitor the case. Oral arguments are expected for sometime this fall or early winter. If you would like to learn more about case, please contact ALTA's legislative & regulatory counsel, [Steve Gottheim](#)."

Links to National News

[Delinquency, Foreclosure Rates Decrease to Post-Crisis Lows in May](#) - "At 6.08 percent, the national delinquency rate in May stood at the lowest level since May 2008, when the rate was 5.96 percent."

[Housing Market Shrugging Off Rise in Mortgage Rates](#) - "Mortgage rates may be inching up, but they have not put a damper on the American housing market's rebound."

[Banks Not Following Mortgage Standards](#) - "Four of the nation's leading mortgage servicers have not complied fully with new standards for handling home loans and must correct the problems or potentially face fines, the government said Wednesday."

[Housing Market: From Recovery to Bubble-Already?](#) - "Only a year after the housing market bottomed, "bubble" talk has surfaced as soaring, double-digit price gains sweep markets across the country."

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