

UTAH Chapter PRIA Local Meeting Minutes

October 10, 2019

Salt Lake County

Minutes taken by: Richard Maughan

Meeting convened at 9:00 A.M., at the training offices of Salt Lake County Government, 2001 S State Street, Salt Lake City.

Brenda McDonald, Chair of the Utah Chapter PRIA Local, conducted the meeting.

Introduction of all present. The following identified as being in attendance: Leann Kilts, Rhonda Francis, Laile Lomax, Richard Maughan, Dave Carpenter, Brenda McDonald, Shelly Brennan, Jeff Smith, Andrea Allen, Jerry Houghton, Rashelle Hobbs, Leslie Reberg, Jessica Goodman, Kim Holbrook, Cort Ashton, Rashael Ortiz, Jeff Weiner, Galina Urry, Shawn Pickett, Meg Watson. Other Salt Lake Recorder staff were present but did not sign the roll.

BUSINESS:

1. McDonald welcomed all present, thanked Salt Lake County Recorder's Office for hosting meeting. Rashelle Hobbs and Leslie Reberg were recognized.
2. Minutes of September 19, 2019, meeting were acknowledged, and were accepted and approved on motion of Jerry Houghton, with Leann Kilts second.
3. The nomination and election of a second chapter co-chair was introduced, but did not occur. No volunteers came forward, and no nominations were made.
4. Moved to agenda item, 4b – Upcoming legislative issues –

Jerry Houghton, Leg Chair, Utah Recorders Association. Jerry identified the following issues that the Recorders Association is aware of and watching:

- i. Remote Notarization has been fast tracked by Lt. Gov. office, and comes into effect November 1, 2019. Comment period ends October 15, at 5PM. Adoption of the Rules, a 60 page document which has only been available since September 27, will occur October 16 unless forestalled by incoming comment. Of particular concern to Recorders is Rule R623-100, a copy of which was made available at this meeting.
- ii. Boundary Line Adjustment Amendments have been identified. Jerry opined that the amendments as currently written will simplify the boundary adjustment process within dedicated subdivisions, and in un-subdivided properties.

Richard Maughan asked if this was the same bill as has recently been reviewed by UACR which requires a survey attached to any boundary adjustment document. McDonald indicated they are different bills.

- iii. There is a bill forthcoming regarding Greenbelt Applications – Attempt is to remove State Tax Commission from the process, leaving it at the county assessor level. Discussion with title associates ensued regarding roll-back collection procedures. There is still some wrangling happening to tighten up details.

- iv. Changing form of governments – This effort addresses processes for moving county governments from their current configuration to something else. More of an awareness issue than one of substance for either Recorders or Associates.
- v. Rep. Christine Watkins' bill to create options for county governments to appoint rather than elect certain county officers has been pronounced ended. Jerry suggested that there will be no action as the public input has been extensive and Ms. Watkins has lost her fervor for the effort. It was noted that the Lt. Gov Spencer Cox is in favor of this happening and not leaving it to die.
- vi. Protected Records is being addressed again, this time for victims of domestic violence. There are more questions than answers at this point, but protected records is topic of concern to Recorders and our Title associates. Questions as to frequency of filing, qualification circumstances, documents required to allow records protection all are still unanswered.

This was the end of Jerry's report.

McDonald informed the group of recent personnel assignment changes at UAC, with new hire "Zeke" being assigned to liaison with recorders. Liz Klc, who was previously assigned to Recorders is being reassigned to other functions.

Leslie Reberg, Salt Lake County Recorder's office, informed the group of the issue of return of recorded reconveyances to makers of the trust deeds as promoted by Sen. Karen Mayne. Leslie suggested that this is a hot-button issue with Ms. Mayne and she intends to pursue it. Discussion of several drawbacks, costs to recorders, inability to comply, was made. E-recorded reconveyances will require a paper copy being made at the expense of the recorder's office, plus mailing fees, time to locate viable mailing addresses, time and labor involved. It was suggested that factual data of numbers of recons recorded, costs, etc., should be collected from the counties, and that that data would provide basis for opposition by Recorders if that is the position adopted at a general meeting.

Leslie also addressed the current issue of Primary Residence exemptions for multiple-properties owners being addressed in the legislature. Discussion about documentation, applications, etc., ensued. Questions arose as to why this would become a recorder's issue, unless documentation is mandated to be recorded. Title Associates have to prorate taxes at the time of closing. It was suggested that with proper documentation, any variances occurring later would be handled between buyer and seller.

Cort Ashton added to this discussion of miscellaneous items with the entreaty that the recorders consider an amendment to the recording fee for curative documents such as reconveyances, lien releases, satisfaction of mortgages, judgments, etc. He asked us to consider a return to \$10 for recording such docs, suggesting that many title companies do this as a complimentary service for which they don't invoice or collect from the requesting party.

Rhonda Francis voiced opposition to changing fees for reconveyances. No further discussion ensued.

Meeting moved to Agenda Item 4a: Cort Ashton, Legislative Committee Chair for the Utah Land Title Association.

- i. Curative documents recording fees – as discussed above.
- ii. Mechanics Lien law is again being tweaked. Recordors are seeing increased activity. It should be noted that the State Construction Registry has stopped collecting fees for funding, and is allowing the fund to deplete.
- iii. Automatic Expiration of Trust Deeds: Cort said there is an interest among title associates to introduce amendments for creating an automatic expiration date for Trust Deeds. After their expiration, they become non-threatening to title, and for title professionals, will become a mute issue after expiration.
- iv. Tenancy in real property: Assumptions in the law relate to “man and wife” or “husband and wife”. “Married Couple” or other formal or informal relationships are not addressed. It was noted that “as Joint Tenants” is always an addition option to tenancy clauses.

Richard mentioned same gender relationships in the law have been addressed recently in the legislature by Rep. Steve Handy as to other code issues. Jerry mentioned having a working relationship with Handy, and he offered to be available as a resource should something be needed.

Item 5: McDonald opened up the roundtable discussion.

Jerry opened with the topic of transfer taxes which were part of the tax reform bill introduced at the 2019 legislative session. That issue is still on the table, and discussion was made as to who should be the responsible party to collect and remit, should such a tax become required. Examples were cited of states where a multitude of collections are made on recording of documents, with the recorder/registrar of deeds being responsible to collect and distribute.

Mention was made that in the opinion of the Recordors, the better choice was at the closing table of the title companies, with responsible parties in attendance. Since the issue has not been formally drafted as yet, the discussion will continue.

Jerry mentioned that there is talk of assessing a fee for the benefit of the surveyors. Just informational at this point.

McDonald mentioned the PRIA Best Practices White Paper on “Document Rejection” which is about to be released, its comment period ending next week. The process of PRIA Best Practices ending up as amendments in state legislatures through the Uniform Law Commission was discussed. Utah has two legislators on the Uniform Law Commission: Sen. Lyle Hillyard, and Rep. Lowery Snow.

Richard suggested that recordors develop statistical data on a representative sample of recording of reconveyances and other curative documents, including handling and mailing costs per office, to present as data to support our position with respect to this matter, to Sen. Mayne for the discussion.

There being no other discussion, the next meeting was agreed upon, for March 26, 2020, at 9AM, at the Salt Lake County offices.

Meeting adjourned at 10:15 AM.

Minutes respectfully submitted this 10th day of October, 2019.

Richard T. Maughan

Secretary

Utah Chapter, PRIA Local