

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

ENROLLED

Committee Substitute

for

House Bill 2086

BY DELEGATE STORCH

[Passed February 18, 2020; in effect ninety days from
passage.]

OFFICE WEST VIRGINIA
SECRETARY OF STATE

2020 FEB 24 P 3:15

FILED

HB 2086 (VetMed)

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1 AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
2 designated §39A-4-1, §39A-4-2, §39A-4-3, §39A-4-4, §39A-4-5, §39A-4-6, and §39A-4-7,
3 all relating to creating the Uniform Real Property Electronic Recording Act; providing short
4 title; defining terms; clarifying validity of electronic documents and electronic signatures;
5 providing for recording of electronic documents; requiring any county clerk implementing
6 the provisions of the act to comply with established standards; authorizing county clerks
7 to receive, index, store, archive and transmit electronic documents; authorizing county
8 clerks to allow public access, search and retrieval of electronic documents; allowing
9 county clerks to convert paper documents accepted for recording into electronic
10 documents; authorizing county clerks to collect electronically any tax or fee relating to
11 electronic recording of real property documents they are authorized by law to collect;
12 authorizing county clerks to agree with other jurisdictions on procedures or processes
13 necessary for electronic recording of documents; creating the Real Property Electronic
14 Recording Standards Advisory Committee to develop the standards necessary to
15 electronically record real property documents; authorizing a legislative rule; providing for
16 a report and recommendations to the Legislature; providing that members of the Real
17 Property Electronic Recording Standards Advisory Committee pay their own expenses;
18 setting forth areas for consideration when adopting or changing standards; providing for
19 uniformity of application and construction of the act; and providing that the article modifies,
20 limits and supersedes certain parts of the federal Electronic Signatures in Global and
21 National Commerce Act.

Be it enacted by the Legislature of West Virginia:

ARTICLE 4. UNIFORM REAL PROPERTY ELECTRONIC RECORDING ACT.

§39A-4-1. Short title.

1 This article may be cited as the Uniform Real Property Electronic Recording Act.

§39A-4-2. Definitions.

1 In this article:

2 “Commissioner” means the Commissioner of the Division of Highways.

3 “Document” means information that is:

4 (A) Inscribed on a tangible medium or that is stored in an electronic or other medium and
5 is retrievable in perceivable form; and

6 (B) Eligible to be recorded in the land records maintained by the clerk of the county
7 commission, herein after “county clerk” or “clerk”.

8 “Electronic” means relating to technology having electrical, digital, magnetic, wireless,
9 optical, electromagnetic, or similar capabilities.

10 “Electronic document” means a document that is received by the county clerk in an
11 electronic form.

12 “Electronic signature” means an electronic sound, symbol, or process attached to or
13 logically associated with a document and executed or adopted by a person with the intent to sign
14 the document.

15 “Person” means an individual, corporation, business trust, estate, trust, partnership,
16 limited liability company, association, joint venture, public corporation, government or
17 governmental subdivision, agency, instrumentality or any other legal or commercial entity.

18 “State” means a state of the United States, the District of Columbia, Puerto Rico, the
19 United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the
20 United States.

§39A-4-3. Validity of electronic documents.

1 (a) If a law requires, as a condition for recording, that a document be an original, be on
2 paper or another tangible medium or be in writing, the requirement is satisfied by an electronic
3 document satisfying the requirements of this article.

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

6 (c) A requirement that a document or a signature associated with a document be notarized,
7 acknowledged, verified, witnessed, or made under oath is satisfied if the electronic signature of
8 the person authorized to perform that act, and all other information required to be included, is
9 attached to or logically associated with the document or signature. A physical or electronic image
10 of a stamp, impression, or seal need not accompany an electronic signature on a document that
11 complies with the electronic notarization procedure under §39-4-19 of this code and §153 CSR
12 45.

§39A-4-4. Recording of documents.

1 (a) In this section, “paper document” means a document that is received by the county
2 clerk in a form that is not electronic.

3 (b) A county clerk:

4 (1) Who implements any of the functions listed in this section shall do so in compliance
5 with standards established by the Real Property Electronic Recording Standards Advisory
6 Committee pursuant to §39A-4-5 of this code;

7 (2) May receive, index, store, archive, and transmit electronic documents;

8 (3) May provide for access to, and search and retrieval of, documents and information by
9 electronic means;

10 (4) Who accepts electronic documents for recording shall continue to accept paper
11 documents as authorized by state law and shall place entries for both types of documents in the
12 same index;

13 (5) May convert paper documents accepted for recording into electronic form;

14 (6) May convert information recorded before the clerk began to record electronic
15 documents into electronic form;

16 (7) May accept electronically any fee or tax relating to electronic recording of real property
17 documents that the clerk is authorized to collect; and

18 (8) May agree with other officials of a state or a political subdivision thereof, or of the
19 United States, on procedures or processes to facilitate the electronic satisfaction of prior
20 approvals and conditions precedent to recording and the electronic payment of fees and taxes.

§39A-4-5. Administration and standards.

1 (a) For the purpose of keeping the standards and practices of county clerks in this state in
2 harmony with the standards and practices of recording offices in other jurisdictions that enact
3 substantially the Uniform Real Property Electronic Recording Act, and to keep the technology
4 used by clerks in this state compatible with technology used by recording offices in other
5 jurisdictions that enact substantially this act, the Secretary of State shall establish the Real
6 Property Electronic Recording Standards Advisory Committee, to, so far as is consistent with the
7 purposes, policies, and provisions of this article, assist in the adoption, amendment, and repeal
8 of standards and practices.

9 (b) The commissioner shall appoint at least 18 persons to serve on the committee. In
10 selecting persons to serve on the committee, the commissioner shall appoint:

11 (1) At least one person who is an attorney who specializes in title work;

12 (2) At least one person who is a specialist in geographic information system (GIS)
13 mapping;

14 (3) A representative Commissioner of the Division of Highways;

15 (4) A representative of the County Clerks' Association;

16 (5) A representative of the County Commissioners' Association;

17 (6) A representative of the State Auditor;

18 (7) A representative of the Governor's Office of Technology;

19 (8) A representative of the Division of Culture and History;

20 (9) A representative of the Community Bankers of West Virginia;

- 21 (10) A representative of the West Virginia Bankers' Association;
- 22 (11) A representative of the West Virginia Housing Development Fund;
- 23 (12) A representative of the Real Estate Division of the Department of Administration;
- 24 (13) A representative of the Property Tax Division of the Department of Tax and Revenue;
- 25 (14) A representative of the West Virginia Board of Professional Surveyors;
- 26 (15) A representative of the West Virginia Real Estate Commission;
- 27 (16) At least one representative representing the mineral extraction industry;
- 28 (17) A representative of the West Virginia College of Law with experience in real property
- 29 law; and
- 30 (18) A representative of the Real Estate Lawyers Division of the West Virginia State Bar
- 31 Association.

32 (c) In establishing, amending, and repealing standards and practices for the recording of

33 documents in electronic form, storing electronic records, and setting up systems for searching for

34 and retrieving these land records, the committee shall consider:

- 35 (1) Standards and practices of other jurisdictions;
- 36 (2) The most recent standards promulgated by national standard-setting bodies such as
- 37 the Property Records Industry Association;
- 38 (3) The views of interested persons and governmental officials and entities;
- 39 (4) The needs of counties of varying size, population, and resources; and
- 40 (5) Standards requiring adequate information security protection to ensure that electronic
- 41 documents are accurate, authentic, adequately preserved, and resistant to tampering.

42 (d) The Commissioner of the Division of Highways, or his or her designee, shall serve as

43 chair of the Real Property Electronic Recording Standards Advisory Committee.

44 (e) The commissioner shall:

- 45 (1) Provide administrative support to the committee; and

46 (2) Propose rules for legislative approval in accordance with the provisions of §29A-3-1 *et*
47 *seq.* of this code that contain the standards to implement this article.

48 (f) Each person, agency, board and organization on the committee shall cover his or her
49 own expenses necessitated by participation on the committee.

50 (g) The commissioner shall submit a report to the Joint Committee on Government and
51 Finance on or before January 1 of each year until its tasks are complete. The report shall include
52 its efforts to adopt standards in accordance with the requirements of this article and
53 recommendations for further legislative action necessary to effectuate the purposes of this article.

§39A-4-6. Uniformity of application and construction.

1 In applying and construing the Uniform Real Property Electronic Recording Act,
2 consideration must be given to the need to promote uniformity of the law with respect to its subject
3 matter among states that enact it.

§39A-4-7. Relation to electronic signatures in global and national commerce act.

1 This article modifies, limits, and supersedes the federal Electronic Signatures in Global
2 and National Commerce Act (15 U.S.C. §7001, *et seq.*) but does not modify, limit or supersede
3 §101(c) of that act (15 U.S.C. §7001(c)) or authorize electronic delivery of any of the notices
4 described in §103(b) of that act (15 U.S.C. §7003(b)).

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Mark Capito
.....
Chairman, House Committee

Mark Chapman
.....
Chairman, Senate Committee

FILED
2020 FEB 24 P 3:16
OFFICE OF THE CLERK
SENATE OF WEST VIRGINIA
SECRETION OF STATE

Originating in the House.

In effect ninety days from passage.

Steve Harris
.....
Clerk of the House of Delegates

Joe Linn
.....
Clerk of the Senate

Lee Fisher
.....
Speaker of the House of Delegates

Mitt B. Conaway
.....
President of the Senate

The within *is disapproved* this the *24th*
day of *February*, 2020.

James Owens
.....
Governor

PRESENTED TO THE GOVERNOR

FEB 24 2020

Time 10:37am