

To: House Committee on Commerce & Economic Development
From: Teri Corsones, VBA Executive Director
Re: H.512
Date: March 8, 2022

Thank you for the opportunity to comment on H.512. My comments will be brief, and are made after consultation with Jim Knapp and Benjamin Deppman, Co-Chairs of the VBA Real Property Section.

RULONA

We are in general agreement with RULONA (The Revised Uniform Law on Notarial Acts) which provides helpful guidance for replacing the emergency remote notary rules in effect during the pandemic. We note that those emergency rules are due to expire 3-14-22. The proposed RULONA requirements have been circulated to practitioners for comment.

URPERA

We are also in general agreement with URPERA (The Uniform Real Property Recording Act) which allows for the recording of digital documents. As has been stated before, we are concerned that there isn't a mechanism in place for creating mandatory standards for how to process digital documents. The lack of standards will likely result in different processes in each town that decides to implement digital recording. We would also prefer that there be funding for towns to digitize their records and to create a digital infrastructure for accepting digital documents.

Proposal

Towards that end, the VBA Real Property Section, the VT Bankers Association and the Vt Association of Credit Unions provided a Memo to the Committee on February 17, 2022 that proposes two things. First, the creation of a land records advisory committee that would participate in the drafting of standards for how to process digital land records and second, a proposal to fund a state-wide initiative to digitize at least 40 years of records in every town to build the infrastructure that would allow for the recording of digital documents.

If H.512 doesn't include a process for building the infrastructure for digital land records, we think it's critical to at least create the standards around how digital land records will be recorded and indexed. The memo suggests a mechanism for doing that. The memo also suggests funding of \$15-20,000,000 to allow each town to digitize land records back to at least 1980, to allow for a 40- year search. A separate breakdown of the projected costs was provided with the memo. Lastly, the memo suggests the formation of a committee of stakeholder to assess the creation of a Central Records Repository for digital land records

Conclusion

We're very grateful to the Committee for considering H.512 and for its efforts to modernize Vermont's land records, with the goal of facilitating economic development. We hope that the proposal of the VBA Real Property Section, the VT Bankers' Association and the VT Association of Credit Unions is helpful to ensuring that the consistency, standardization and uniformity goals of the bill are also met.

Post Script: With regard to the new Section 3 added to version 2.2, we applaud the reporting requirement but respectfully request that a representative of land records users be added to the group, in order to ensure that that important perspective is included in any reporting process.