

Interim Report Related to the

**FISCAL, GOVERNANCE, AND OPERATIONAL
SUSTAINABILITY OF UNIFORM APPROACHES TO
THE MODERNIZATION OF THE ACCEPTANCE,
RECORDING, AND AVAILABILITY OF
DEEDS AND OTHER PROPERTY RECORDS**

(Required by Sec. 3, Act No. 171 of 2022)

Submitted by the
Vermont State Archives and Records Administration

January 15, 2023

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INTRODUCTION

This is an interim report on the work of the Vermont State Archives and Records Administration (VSARA), Office of Secretary of State, with respect to Sections 2-4 of [Act 171 of 2022](#) (An act relating to modernizing land records and notarial acts law). Excerpts of these sections, as they relate to VSARA, are at the end of this update.

Following the passing of Act 171 in May 2022, VSARA remained mindful of the election timeline and its impact on municipal clerks during the summer and fall of 2022. As a result, administrative groundwork was prioritized through Labor Day, which included establishing and recruiting for the new position allocated by the General Assembly in Sec. 4 of Act 171 of 2022. This was done with the assistance of the Vermont Department of Human Resources.

In June 2022, VSARA issued its first update to representatives of the Vermont League of Cities and Towns (VLCT), the Vermont Municipal Clerks and Treasurers Association (VMCTA), and the banking, bar, real estate, and title industries. At that time, VSARA anticipated hiring a new employee by early August 2022 and completing onboarding by mid-September. The vacancy was posted for thirty (30) days and extended for another thirty (30) days. On August 30, 2022, VSARA was notified by the Vermont Department of Human Resources that the position closed with no qualified candidates to forward to us. This was not unanticipated as the Vermont state government is experiencing its greatest number of unfilled positions and lowest number of applicants in recent memory.

After lowering minimum qualifications to require less prior work experience, VSARA reposted the job announcement in the fall of 2022. Regrettably, this recruitment was also unsuccessful. VSARA is now focusing on recruiting an individual with project management and data analysis experience and the job announcement is slated to go out by the end of January 2023. Despite challenges in filling vacancies (this position allocated under Act 171 is one of three current vacancies), VSARA has been able to successfully initiate the first stage of the state procurement process, which was arranging demonstrations of electronic recording processes, submitter workflows, and related systems and modules for VLCT, VMCTA, and VSARA representatives.

VSARA issued another update to stakeholders in October 2022, and more details on recent progress, including using a new, dedicated email address for contacting VSARA about land records (sos.landrecords@vermont.gov), are covered in this interim report.



Tanya Marshall
State Archivist and Chief Records Officer
January 12, 2023

1. STANDARDS AND BEST PRACTICES

VSARA initiated a partnership and collaboration with the [Property Records Industry Association \(PRIA\)](#) prior to the passing of Act 171 of 2022 and remains in regular communication with PRIA on several topics, including: (1) membership and membership models for Vermont; (2) industry standards and best practices for recording and land records management; (3) PRIA Local chapters; (4) informational sessions for the Vermont government and business sectors on various land records topics; and (5) facilitation on discussions regarding land records concerns and issues.

Through a PRIA state membership, VSARA has full access to all PRIA standards and best practices and receives all PRIA communications. This summer, PRIA issued a notice to its members of major updates to two uniform standards and best practices, one being PRIA's *Best Practices: Indexing Names & Parties*, which was last revised in 2015. VSARA paused the adoption of the following uniform standards and best practices until the updated versions from PRIA were issued, which occurred by mid-October 2022:

- PRIA Indexing Best Practices (*October 2022*)
- PRIA eRecording Best Practices for Submitters (*July 2022*)

VSARA has resumed activities that will lead to the issuance of updated and new State of Vermont standards for both recorders and submitters this calendar year. Until this work is complete, the following state standards and best practices remain in place until superseded.

- [Best Practice Standards for Indexing Land Instrument Records \(2002\)](#)
- [Land Records Standard for All Town Clerks \(2020\)](#) and related [information management standards](#) issued by VSARA

In May 2022, VSARA also completed the first step in establishing a Vermont [PRIA Local chapter](#) for Vermont government and business stakeholders to work collaboratively on land records matters. The PRIA Local Coordinator continues to assist VSARA in planning the inaugural Vermont PRIA Local meeting. The Vermont PRIA Local chapter is the intended host for the first round of electronic recording systems demonstrations. These demonstrations will include demonstrations from providers already under contract by various town clerks and at least one provider already under contract by the State of Vermont. (See *State Procurement and Other State Services* on page 6 for more information.)

It is important to note that PRIA membership *is not required to participate* in PRIA Local. Once fully established, the Vermont PRIA Local chapter will be co-chaired by one government representative, ideally a recorder, and one business representative selected by Vermont PRIA Local members. Municipal clerks and representatives of the banking, bar, real estate, and title industries interested in learning more about becoming a Vermont PRIA Local chapter member, have been, and will continue to be, encouraged to contact VSARA to be added to the Vermont PRIA Local chapter contact list.

2. TARGETED ASSISTANCE PROGRAM (TAP) FOR MUNICIPAL CLERKS

Under the Statewide Records and Information Management Program ([3 V.S.A. § 117](#)) administered by VSARA, and as an expansion of VSARA's existing Vermont Local Records Program (VLRP) for local government and Targeted Assistance Program (TAP) for state and local officials, VSARA began offering targeted assistance to all municipal clerks on land records recording and management this past fall. This is in addition to assisting clerks with other records in their offices ([1 V.S.A. § 317a](#)), and includes direct support to clerks for implementing uniform standards and best practices issued by VSARA for recording and managing land records, regardless of record formats, use of an existing system, or interest in electronic recording.

A VSARA Records and Information Management Specialist attended the Vermont Municipal Clerks and Treasurers Association (VMCTA) meeting in September 2022. During the event, more than forty (40) clerks signed up for one-on-one meetings and/or onsite visits and this activity was formally started in October 2022. These meetings and onsite visits help VSARA in identifying information needed to collect from all municipalities regarding land records to understand the current fiscal, operational and governance situation of each individual clerk and the specific needs of each town clerk, which is a significant component of the January 2024 reporting requirement in Sec. 3 of Act 171.

To facilitate communications on Act 171 and land records recording and management in general, VSARA has established a dedicated email address (sos.landrecords@vermont.gov). Clerks interested in participating in TAP or learning more about VSARA's assistance to clerks for land records recording and management were advised to contact VSARA using this specific [sos.landrecords](mailto:sos.landrecords@vermont.gov) email address. Representatives from the banking, bar, title insurance, and real estate industry, and other interested parties, interested in contacting us about land record matters were also advised to contact VSARA using this specific [sos.landrecords](mailto:sos.landrecords@vermont.gov) email address.

In addition to Act 171 requirements, VSARA is monitoring Federal legislation that will impact the modernization of land records. During the 117th Congress, VSARA tracked the Securing and Enabling Commerce Using Remote and Electronic (SECURE) Notarization Act of 2022, which took a different path over the summer and was passed by the House as H.R. 3962 on July 27, 2022 – but did not progress. A similar bill is anticipated to be introduced this year.

VSARA also continues to gather information on land records programs in other states and the types of services, infrastructure, training, etc. provided to recorders and users in their respective states, including fraud monitoring. The scope of the position, when filled, will expand where needed to facilitate with related programs, services, training, etc. for notaries public, including town clerks, and on notarial acts performed on electronic land records submitted for recording.

3. STATE PROCUREMENT AND OTHER STATE SERVICES

The State of Vermont has been gradually expanding the scope of state contracts to include municipalities. If using a [statewide or retainer contract](#), multiple vendors with established compliance requirements and fixed rates/costs for services can be secured. In VSARA's *June 2022 Update* to stakeholders, it was noted that the Office of Purchasing and Contracting within the Vermont Department of Buildings and General Services (BGS): (1) confirmed they will be able to support requests for information (RFIs) and requests for proposals (RFP) in relation to the new legislation; and (2) recommends gathering detailed land records modernization requirements and issuing an RFP regardless of any existing state contracts. The latter ensures the proper vetting of vendors and systems against specific requirements and needs as well as competitive bids in terms of costs.

In September 2022, VSARA initiated the first stage of the state procurement process. At this time, VSARA is engaging with (1) vendors whose systems are used by town clerks for land records; and (2) vendors under current state contract who offer systems for land records. In these reviews, VSARA is looking specifically for electronic recording functionality. If the system supports electronic recording and the vendor is interested in state contracting (or expanding its existing contract), VSARA invited the vendor to provide a preliminary demonstration for representatives of VLCT, VMCTA, and VSARA. During the preliminary demonstrations, representatives assess the system for potential enterprise-wide use as well as customization options for individual towns. The final two demonstrations took place the week of January 9, 2023, and this first stage is anticipated to be done by the end of January 2023.

For systems that have the potential for enterprise-wide use, the second stage involves another demonstration by each vendor. These demonstrations will be hosted by the Vermont PRIA Local chapter, which allows for broad participation and engagement by all interested parties in both the government and business sectors. VSARA anticipates having three or four systems, in total, demonstrated through the Vermont PRIA Local chapter. These demonstrations will help define recorder, submitter, and user requirements for the drafting of an initial RFP draft (or RFI, if needed), which, in turn, will be provided to members of the Vermont PRIA local chapter by VSARA for comment and feedback before moving to state review and refinement under the state procurement process.

In late August 2022, VSARA also initiated the first stage of fiscal sustainability analysis and review. The Joint Fiscal Office is taking the lead on preliminary analyses using the latest [Consolidated Town Fee Report and Request](#), which is required every three years under Act 155 of 2018. In relation to other state services, VSARA is continuing to explore state government functions that intersect with those of the clerks in relation to land records and/or whose service or support functions could potentially minimize time, effort, and costs for both the government and business sectors when it comes to modernization efforts by individual towns and/or the State of Vermont as a whole.

4. EXCERPTS OF SECS. 2-3 OF ACT 171 (VSARA)

The sections of [Act 171](#) that relate to VSARA are as follows:

Sec. 2:

27 V.S.A. § 625 (STANDARDS AND BEST PRACTICES)

“...all recordings of deeds and other instruments or evidences respecting real estate, regardless of format, shall comply with standards and best practices issued by the Vermont State Archives and Records Administration pursuant to [3 V.S.A. § 117](#). Recorders shall seek services from the Vermont State Archives and Records Administration to comply with the standards and best practices issued in accordance with this subchapter.”

Sec. 3:

VERMONT STATE ARCHIVES AND RECORDS ADMINISTRATION; REPORT

“On or before January 15, 2024, the Vermont State Archives and Records Administration shall submit a report to the House Committees on Commerce and Economic Development and on Government Operations and the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations concerning the fiscal, governance, and operational sustainability of uniform approaches to the modernization of the acceptance, recording, and availability of deeds and other property records, regardless of format.

For the report required by this subsection, the Vermont State Archives and Records Administration shall consult with: (A) the Joint Fiscal Office; (B) the Vermont League of Cities and Towns; (C) the Vermont Municipal Clerks’ and Treasurers’ Association; (D) representatives from the banking, bar, title insurance, and real estate industry; and (E) other interested parties.

The report shall be based on analyses of the following: (1) services requested by recorders pursuant to 27 V.S.A. § 625 to achieve consistency and uniformity in standards and best practices; (2) systems currently deployed by recorders and associated costs; and (3) anticipated recorder costs to transition to electronic recording pursuant to 27 V.S.A. chapter 5, subchapter 8.

On or before January 15, 2023, the Vermont State Archives and Records Administration shall prepare an interim report concerning the information and analyses required by this section and submit the interim report to the House Committees on Commerce and Economic Development and Government Operations and the Senate Committees on Economic Development, Housing and General Affairs and Government Operations.”

Sec. 4:

VERMONT STATE ARCHIVES AND RECORDS ADMINISTRATION; POSITION

“There is created within Vermont State Archives and Records Administration one new permanent classified position to facilitate and provide the services described in 27 V.S.A. § 625. Any funding necessary to support the position created in this section shall be derived from the Secretary of State Services Fund, with no General Fund dollars.”