

MINUTES OF THE SENATE COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT

The meeting was called to order by Chairperson Barbara P. Allen at 1:30 p.m. on February 19, 2002 in Room 245-N of the Capitol.

All members were present except:

Committee staff present: Ken Wilke, Revisor of Statutes
Mike Heim, Legislative Research
Dennis Hodgins, Legislative Research
Nancy Kirkwood, Committee Secretary

Conferees appearing before the committee: Becky Gilmore-Davis, Register of Deeds, Johnson County
Doug Simmons, Vice President, Kansas Title
Marilyn Nichols, Legislative Co-Chair, Kansas Register of Deeds Association, Register of Deeds, Shawnee County

Others attending: See attached list.

Chairperson Allen opened the hearing on **SB 564 - Creation of technology fund for county register of deeds.**

The Committee was provided with fiscal note on **SB 564.**

Chairperson Allen recognized Becky Gilmore-Davis, Register of Deeds, Johnson County. She provided testimony in support of **SB 564.** Ms. Davis stated electronic government is no longer an optional addition to government service, but a necessity. It could potentially reduce overall filing costs and simplify the process of filing documents (Attachment 1).

Chairperson Allen recognized Marilyn Nichols, Legislative Co-Chair; Kansas Register of Deeds Association; Register of Deeds of Shawnee County; appeared before the committee in support of **SB 564.** She suggests rather than an option, have it be a requirement so all counties are uniform (Attachment 2). Register of Deeds representation from Sedgwick, Wabaunsee, Osage, Leavenworth, Republic and Kearney counties were present for the hearing.

Chairperson Allen recognized Bill Meek, Register of Deeds of Sedgewick County. Mr Meek addressed the committee concerning uniformity in counties across the state.

Doug Simmons, Vice President; Kansas Title, recognized by Chairperson Allen, addressed the committee as a proponent of **SB 564** (Attachment 3).

There were no opponents to the bill.

Chairperson Allen closed the hearing on **SB 564.**

Adjournment

Meeting adjourned by Chairperson Allen at 2:24 p.m.

The next meeting is scheduled for Wednesday, February 20th, 2002.

SENATE
ELECTIONS AND LOCAL GOVERNMENT
GUEST LIST

Date Feb 19, 02

Marilyn Nichols	Shannon Co. Register of Deeds
Charlotte Shawner	Riley Co. Register of Deeds
Missie Geritzen	Kearney Co. Register of Deeds
BILL MEEK	Sedgewick Register of Deeds
C. Suzanne Simon	Wabawnoe Co. Register of Deeds
Linda L. Massey	Osage Co. Register of Deeds
Stacy R. Driscoll	Heavenworth Co. Register of Deeds
Ruth A. Rake	Regulus Co. Reg. of Deeds
Norma Koch	Kansas Title Insurance Corp - Johnson Co.
Coy Das	JOHNSON COUNTY CITIZEN
Sam Newstyler	Register of Deeds Douglas Co.
Judy Malen	Ks. Assn of Counties
Brad Bryant	Sec. of State
Ed O'Malley	OR Chamber
Pat Lehman	KFSA

Register of Deeds Johnson County Kansas

Madame chair and members of the committee:

My name is Becky Gilmore Davis, and I am the Johnson County Register of Deeds. Thank you for the opportunity to testify today in support of **SB564**, a bill that **creates a technology fund** for the Register of Deeds departments within the state of Kansas.

I appreciate the committee holding this hearing. This is a vital matter that affects both businesses that work within the land records industry, as well as citizens conducting real estate transactions. **Passage of this bill will enable Kansas's registers of deeds to enhance services and address concerns of our constituents.** The Kansas Register of Deeds Association and Kansas Land Title Association support this legislation.

Speaking from experience there is a greater need now more than ever for legislation like SB 564. Since I took office my department has **reduced the time it takes to fully record a document from five to three weeks.** We accomplished this despite the fact that, during the same time frame, **the number of pages we received more than doubled.** As counties grow this trend will only continue. Without enhanced technology it will be difficult if not impossible to further reduce the amount of time it takes to record a document. I've included with my testimony a chart, which demonstrates these figures from Johnson County.

More importantly our citizens are demanding efficient government. Improved technology can help meet their expectations. There are many forms of electronic government ranging from automated services to electronic transactions. According to the Center for Digital Government, "electronic government is no longer an optional addition to government service, but a necessity." Right now there are over 20,000 sites in the United States alone that offer government information and services. In **California, Arizona, Florida, Utah, Washington, Nevada, Missouri and Virginia** there is at least some form of **electronic recording or services** addressing land records issues.

The benefits of technology fee legislation are numerous. According to the National Association of County Recorders and Clerks, "An electronic filing system could **potentially reduce overall filing costs and simplify the process of filing documents.** It holds the promise of benefiting all constituents by reducing the cost... associated with paper documents." In fact the Notary Bulletin, published by the National Notary Association, in their December 2001 issue stated, "It has been **estimated** that the reduction of paperwork from electronic closings could **save up to \$2,000.00 in the cost of closing a home mortgage.**" Included with this testimony are several letters of support from industry users.

After a yearlong examination of how the 50 states use digital technologies to deliver services to citizens, the Center for Digital Government has just crowned **Kansas the 2001 e-government national co-leader.** As Don Heiman, the Kansas Chief Technology Officer said, "We (have) found ourselves in an interesting leadership position in the United States." Let's allow our Kansas counties the opportunity to demonstrate the same leadership exhibited by our prize-winning state. Please support SB 564.

Senate Elec + Loc Gov
02-19-02
Attachment 1

Amendments for Senate Bill 564

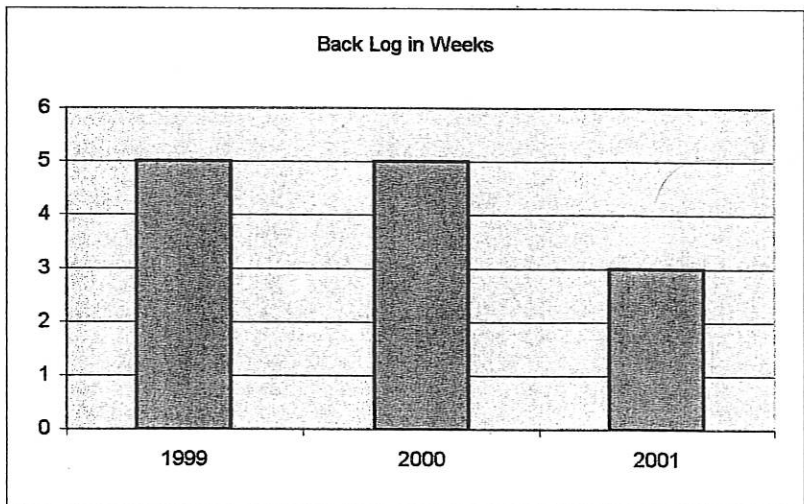
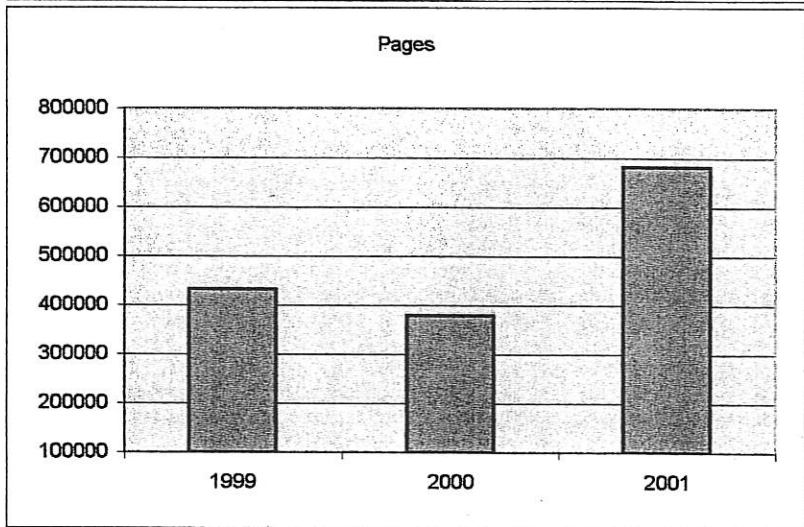
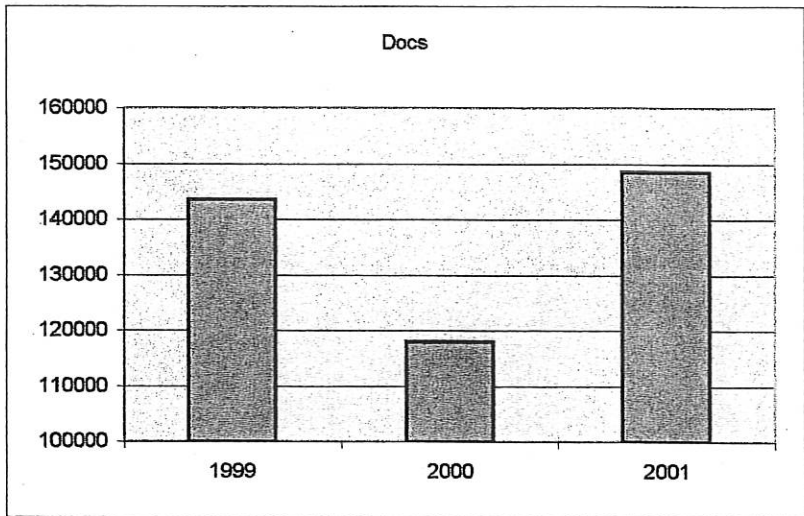
To be inserted at the end of section b (2)

In the event that the fund shall have a balance at the end of any fiscal year which exceeds an amount of \$50,000.00 and such excess shall not then be needed for technology in the office of the Register of Deeds, then the county commission may authorize the transfer and use of such excess moneys for technology equipment or services in other county offices related to the land or property records filed or maintained by the county.

(3) Upon the adoption and implementation of a charter form of government, as authorized pursuant to KSA 2000 supp. 19-2681 et seq., the provisions of this section shall apply to the official, department or office which performs the duties and functions prescribed for the office of the register of deeds.

Johnson County Document History

	1999	2000	2001
Docs	143600	118000	148500
Pages	432000	379000	682000
Back Log	5	5	3





OLD REPUBLIC
Title Company of Kansas City, Inc.

1800 Baltimore Avenue
Kansas City, Missouri 64105-1910
(816) 471-1560
(816) 472-1426 FAX

February 18, 2002

Rebecca L. Davis, Register of Deeds
Johnson County Courthouse
111 So. Cherry Street
Olathe, Kansas 66051-0700

Dear Ms. Davis:

We believe in order to serve our client base it is necessary for us to be able to access, search and retrieve records in the most efficient manner possible. We feel that the government sector also needs to be in a position to do the same thing in order to serve the public in the most efficient manner possible.

There is currently pending Senate Bill No. 564, which among other things provides a method of generating revenue to fund technology for the register of deeds offices in the State of Kansas. Please be advised that we strongly support this bill and you can count on my support.

We appreciate your involvement with this bill, and if there is any way that I can be of assistance to you in this instance, please don't hesitate to contact me.

Respectfully,

Norman E. Evisizer,
President

February 18, 2002

To: Senate Local Government Committee

Re: Pending legislation (Senate Bill 564)
Technology Fund for Register of Deeds

It has recently been brought to my attention that you will be hearing proposed legislation (Senate Bill 564) regarding the special register of deeds technology fund. This is desperately needed in Johnson County, and I would really appreciate your consideration and support of this bill.

I'm a registered voter residing in Lenexa, Kansas, as well as an employee in the Register of Deeds office in Johnson County. I know "first hand" some of the problems that my office, fellow co-workers, and patrons are facing on a daily basis. As I'm sure you are aware, we have recently been advised that the county is facing an uncertain revenue situation for both FY 2002 and FY 2003 as a result of the current economic recession in the United States. Our salaries have been frozen and all merit increases have been postponed indefinitely. Every dollar that is collected from fees for services reduces the County's reliance on property taxes and other tax revenues which are sensitive to changes in the economy.

The Technology Fund would allow the Register of Deeds office to purchase much needed computer equipment that would definitely help our employees improve customer service to our patrons and constituents. Our office has had a drastic increase in the volume of documents submitted for recording, and our current system and workflow process just can't handle it. The turnaround time for recording documents and getting them back to the customer is essential. Asking to increase the fees by only \$1.50 more doesn't seem to be unreasonable and many of your constituents agree with me. I think it's possible to reduce our customer complaints by being able to purchase equipment and services that would allow us more time to assist our customers. This is a "win-win" opportunity...happy customers + happy employees = happy constituents!

Please let me know if you need any further information. Thank you for your time and consideration.

Sincerely,



Cindy L. Campbell
Executive Assistant/Deputy
Johnson County Register of Deeds
Phone: (913) 715-2300
Fax: (913) 715-2310
Direct: (913) 715-2326
E-mail: ccampbell@jocoks.com

MID AMERICA TITLE

COMPANY, INC.

130 N. Cherry, Olathe, KS 66061
P.O. Box 475, Olathe, KS 66051-0475
Phone (913) 782-1800
Fax No. (913) 782-1418

TERRY J. LYNCH
President

Mid America Escrow Closing
Phone (913) 782-1865
Fax No. (913) 782-1418

February 18, 2002

Rebecca Davis
Register of Deeds
111 S. Cherry Street
Olathe, Kansas 66061

RE: Senate Bill 564

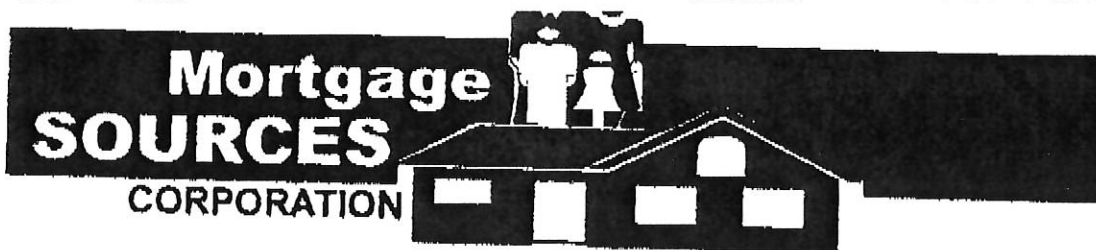
We have reviewed Senate Bill 564 regarding the Register of Deeds Technology Fund and would like to offer our full support. Mid America Title does most of its business in an eight county area and also does contract work in approximately twenty five other counties, changes in the recording fees would not affect how we function in those counties. The ability of your office to implement technology to improve the speed and efficiency of recording documents would be a welcome benefit not only to us but all people buying, selling and refinancing their homes. Let me know if I or the company can be of any assistance to you.

Mid America Title



Todd M. Lynch
Vice President





February 14, 2002

Rebecca L. Davis
Register of Deeds
111 S. Cherry St., Suite 1300
Olathe, KS 66061-3441

Dear Ms. Davis:

We would like to support Senate Bill 564 because it will ultimately allow the register of deeds to address the volume issues that they are experiencing. Once the register of deeds addresses these issues through technological automation and reduces their turnaround time, we will be able to serve our customers more efficiently.

My company needs to be able to offer electronic closings to our customers. At this time, we are unable to do so because the funds are not available to support this type of process at the county level. It's my understanding that the technology fund will ensure that the register of deeds will be able to provide this service that we desperately need and want to give our customers.

We appreciate your support in this effort.

A handwritten signature in black ink, appearing to read 'Kevin Klevenko'.

Sincerely,

Kevin Klevenko, President
Mortgage Sources



October 31, 2001

Attn: Register of Deeds
State of Kansas
Johnson County
Register Of Deeds
P.O. Box 700
Olathe, Ks 66061

Re: Electronic Signature

On November 14, 2001, Bank of America will implement the use of electronic signatures in the preparation of the release of mortgage documents that will be sent to your office to be recorded. We are confident that this new policy will expedite the release of mortgage for our customers in the most efficient and timely manner. Bank of America has established security procedures to authenticate and protect the intent of those persons signing releases on behalf of Bank of America. In addition, Bank of America will diligently respond to requests for digital signature verification for those persons.

Pursuant to the Kansas Uniform Electronic Transactions Act (H.F. No. 2879) enacted April 25, 2000, we understand the following provisions to be on record.

- Electronic Signature - means an electronic sound, symbol, or process attached to or logically associated with and executed or adopted by a person with the intent to sign the record.
- An electronic record or signature is attributable to a person if the record or signature was the act of that person.
- An electronic signature satisfies the law if that law requires a written signature.
- A record or signature may not be denied legal effect or enforceability solely because an electronic record was used in its formation.

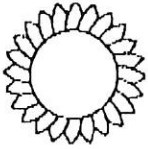
If we do not receive a response from you prior to November 14, we will regard this as your confirmation to proceed.

Should you have any questions, please give me a call at 502.566.5569.

Thanks,

A handwritten signature in cursive script that reads "Shawn Biven".

Shawn Biven
Assistant Vice President



JOHNSON COUNTY
KANSAS

BOARD OF COUNTY COMMISSIONERS

February 19, 2002

The Honorable Barbara Allen
Chair, Senate Elections and Local Government Committee
300 S.W. 10th Avenue
Topeka, Kansas 66612-1504

Dear Senator Allen:

On behalf of the Board of County Commissioners of Johnson County, Kansas, I am writing in support of SB 564, with the proposed amendments, a bill that would establish a separate technology fund for registers of deeds as part of an amendment to K.S.A. 28-115, pertaining to fees collected by the register of deeds.

Although not listed as a part of the County's original legislative platform, the Board of County Commissioners does support electronic or "e-government" opportunities that help to increase public accessibility to vital records maintained by county government and that also expand our ability to provide convenient and efficient delivery of government services and more cost-efficient operations. The Board also supports the use of fees to pay for governmental costs. For these reasons, the Johnson County Board of Commissioners would support SB 564 since it is consistent with these principles.

The Board of County Commissioners supports the proposed amendments which provide greater accountability for use of the funds as part of the larger checks and balances within the organization of county government on expenditures under the authority of the Board of County Commissioners. Likewise, the Board of County Commissioners supports the proposed amendment addressing implementation of the provisions of SB 564 under charter forms of county government.

If the Board can be of further assistance to your committee, please feel free to contact me.

Very truly yours,

Susie Wolf
Chairman of the Board

KANSAS REGISTER OF DEEDS ASSOCIATION

Marilyn L. Nichols
Shawnee County Register of Deeds
700 SE 7th Street, Room 108
Topeka, Kansas 66603-3932

TESTIMONY OF THE KANSAS REGISTER OF DEEDS ASSOCIATION
TO THE SENATE COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT

SENATE BILL 564

February 19, 2002

Madam Chairwoman and Members of the Committee:

I am here today on behalf of the Kansas Register of Deeds Association. We thank you for the opportunity to provide input during your decision making process.

Our understanding of the intent of this bill is to amend KSA 28-115 which deals with the charges and collection of the fees for recording the various documents in the Register of Deeds Office.

The Kansas Register of Deeds Association respectfully requests certain amendments to SB 564 for further clarification and uniformity across the 105 counties that we represent. Our amendments address the removal of the language that affords counties the option to participate through County Resolution and would then simply maintain the uniformity in fees for every county. They also enhance the language used to identify the usage of the manners in which the information is stored, whether the Register's office is or will become totally electronic. The rest of the amendment consists of clean-up language to be consistent with another bill that is currently in the House, introduced by the Secretary of State's Office and deals with fees collected for UCC recordings in accordance with revised Article 9, and are subsequently filed in the Register of Deeds office as well.

We appreciate your support of SB 564 and the amendments submitted thereto and I would be happy to stand for any questions, as well as would the other Register's appearing here today at this committee hearing.

Senate Elec & Loc Gov
02-19-02
Attachment 2

SENATE BILL NO. 564

By Committee on Elections and Local Government

2-11

9 AN ACT concerning counties; relating to registers of deeds; allowing
10 creation of a technology fund; amending K.S.A. 28-115 and repealing
11 the existing section.

12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S. A. 28-115 is hereby amended to read as follows 28-

15 115. (a) (1) *Except as provided in subsection (c) the* register of
16 deeds of each county shall charge and collect the following fees:

17 For recording deeds, mortgages or other instruments of writing for first

18 Page, not to exceed legal size-8 1/2" x 14"..... \$6.00

19 For second page and each additional page or fraction thereof.... \$2.00

20 Recording town plats, for each page..... \$20.00

21 Recording release or assignment of real estate mortgage..... \$5.00

22 Certificate, certifying any instrument on record..... \$1.00

23 Acknowledgment of a signature..... \$.50

24 For filing notices of tax liens under the internal revenue laws

25 Of the United States..... \$15.00

26 For filing releases of tax lines, certificates of discharge, under the Internal
27 revenue laws of the United States or the revenue laws of the State of

28 Kansas filed both prior and after the effective date of this act ... \$15.00

29 For filing liens for materials and services under K.S.A. 58-201, and

30 Amendments thereto..... \$15.00

31 For any filing or service provided for in the uniform commercial code,
32 the amount therein provided, shall be charged and collected. No fee shall
33 be charged or collected for any filing made by the department of revenue
34 as required under the provisions of the Kansas inheritance tax act, and
35 amendments thereto. All fees enumerated in this section, ~~except those~~

36 ~~charged for the filing of liens and releases of tax liens under the internal~~
37 ~~revenue laws of the United States,~~ shall be due and payable before the
38 register of deeds shall be required to do the work. If the register of deeds
39 fails to collect any of the fees provided in this section, the amount of the
40 fees at the end of each quarter shall be deducted from the register's salary.

41 ~~The register of deeds shall bill the United States internal revenue services~~
42 ~~on the last day of each month for the amount of fees accrued in the filing~~
43 ~~and releasing of federal tax liens.~~ If the name of names of the signer or

1 signers or any notary public to any instrument to be recorded are not
 2 plainly typed or printed under the signatures affixed to the instrument,
 3 the register of deeds shall charge and collect a fee of \$1 in addition to all
 4 other fees provided in this section.

5 (2) If sufficient space is not provided for the necessary recording
 6 information and certification on a document, such recording information
 7 shall be placed on an added sheet and such sheet shall be counted as a
 8 page. The document shall be of sufficient legibility so as to produce a
 9 clear and legible reproduction thereof. If a document is judged not to be
 10 of sufficient legibility so as to produce a clear and legible reproduction,
 11 such document shall be accompanied by an exact copy thereof which shall
 12 be of sufficient legibility so as to produce a clear and legible reproduction
 13 thereof and which shall be recorded contemporaneously with the docu-
 14 ment and shall be counted as additional pages. The register of deeds may
 15 reject any document which is not of sufficient legibility so as to produce
 16 a clear and legible reproduction thereof.

17 (3) Any document which was filed on or after January 1, 1989, which
 18 was of a size print or type smaller than 8-point type but which otherwise
 19 was properly filed shall be deemed to be validly filed.

20 (4) Except as otherwise provided, all fees provided for in this section
 21 shall be paid to the register of deeds to the county treasurer and depos-
 22 ited into the general fund of the county.

23 *(b) (1) For the purpose of permitting the register of deeds to obtain*
 24 *and finance equipment and services for electronic or other manners of*
 25 *storing, recording, archiving, retrieving, maintaining and handling of data*
 26 *recorded or stored in the register of deeds office, ~~the county commission is~~*
 27 *~~hereby authorized and empowered by resolution to authorize the register of~~*
 28 *~~deeds to collect the additional fees prescribed in subsection © and cause~~*
 29 *~~such funds to be deposited in a special register of deed technology fund.~~*
 30 *the register of deeds is hereby authorized to collect the additional fees*
 31 *prescribed in subsection © and such funds will be deposited in a special*
 32 *register of deeds technology fund.*

33 *~~(2) Upon the adoption of such resolution, a copy thereof shall be de-~~*
 34 *~~livered to the county treasurer and the county treasurer shall credit the~~*
 35 *~~amount provided in such resolution to such special register of deeds tech-~~*
 36 *~~nology fund and shall debit such fund~~*

37 *Upon effect and in force from its publication in the statute book, such*
 38 *funds shall be delivered to the county treasurer and the county treasurer*
 39 *shall credit the amount as prescribed in subsection © to such special*
 40 *register of deeds technology fund. All moneys credited to special register*
 41 *of deeds technology fund shall be used by the register of deeds to acquire*
 42 *equipment and services for electronic and other manners of storing,*
 43 *recording, archiving, retrieving, maintaining and handling of data recorded*
 44 *or stored in the register of deeds office as required by the register of deeds*
 45 *and such fund shall no be subject to the provisions of K.S.A. 79-2925 to*
 46 *79-2937, inclusive, and amendments thereto; except that in making the*
 47 *budget of the county the amounts credited to, and the amount on hand in,*
 48 *such special fund and the amount expended therefrom shall be shown thereon*
 49 *for the information of the taxpayers of the county. Any action taken by*
 50 *the register of deeds under this subsection shall be in accordance with*

1 K.S.A. 19-1202, and amendments thereto.

2 (c) In addition to the fees set forth in subsection (a), ~~upon approval~~
3 ~~of the county commission, the register of deeds may shall~~ charge an additional
4 fee of ~~\$1.50~~ \$2.00 per page in the following categories:

5 (1) for recording deeds, mortgages or other instruments of writing,
6 for the first page, not to exceed legal size-8 1/2" x 14";

7 (2) for second page and each additional page or fraction thereof; and

8 (3) for recording release or assignment of real estate mortgage.

9 Any fees collected pursuant to this subsection shall be paid by the
10 register of deeds to the county treasurer. The county treasurer shall de-
11 posit such funds in the register of deeds technology fund.

12 Sec. 2. K.S.A. 28-115 is hereby repealed.

13 Sec. 3 This act shall take effect and be in force from and after its
14 publication in the statute book.



Kansas Title Insurance Corporation

□ 114 N. Cherry
Olathe, Kansas 66061
(913) 764-0334
Fax (913) 780-3611

□ 11233 Nall
Leawood, Kansas 66211
(913) 327-7332
Fax (913) 327-7335

February 19, 2002

Senate Elections and Local Government Committee
State Capitol-Room 245-N
Topeka, Kansas

Re: Senate Bill 564

Madam Chairman and Committee Members

Thank you for allowing us to address you today. My name is Doug Simmons and I am from Kansas Title Insurance Corporation in Olathe, Johnson County, Kansas; also, with me is Ms. Norma Noah, owner of Kansas Title Insurance Corporation.

I come before you to tell why we support the legislation you are considering today. First, Please let me tell you about us and Kansas Title. I have been in the abstract and title industry for 30 years; and I have worked for title agents from large to small. Also, I have worked for national title underwriters responsible for several states as regional manager. Ms. Noah has 43 years of experience in the title and abstract industry.

Kansas Title Insurance Corporation is a medium size company serving a variety of customers from individual consumer, Realtors, commercial developers, banks, savings and loans and mortgage brokers to the national relocation specialist, national lenders, and national commercial developers. We service the transaction from search to close and title policy issuance. We have been in business serving Johnson County and the surrounding counties for over 22 years. Kansas Title has a title plant that dates back into the 1940's, and is composed of microfilm, hard copies and computer indexing.

Just as our title plant has evolved over the years to new technology so has the title industry in general. New technologies have driven numerous changes in just the last few years. The introduction of microfilm technology replaced the hardcopy paper method of retaining documents, and computer indexing has replaced the hand written tract books. Today we face more high tech changes in the industry, i.e. Electronic Filing and Electronic Signature. We must be in a position to meet the demands of the "Public and Private Sectors" who need access to the information contained in the recorded records.

Senate Elec + Loc Gov
02-19-02
Attachment 3

Users of the public records can be divided into two main categories, the "Public Sector" and the "Private Sector". "Public Sector" users vary in counties around the State of Kansas. In the smaller less active counties the demand or use of the records by the general public is not as great as in the larger more populous counties. In these larger counties the general public is searching for information from restrictions and homes associations, i.e. seeking the right to erect fences, etc.

"Private Sector" users includes banks, savings and loans, mortgage brokers, appraisers, attorneys, and abstract and title companies. The use of the records by these entities is for legal and financial transactions that require the availability and integrity of the records.

The recorder and staff are driven by a dedication for accurate recordings, and the retention and retrieval of the public property records. They take the job they are charged with seriously and work to protect the public records they are intrusted with. Both the "Public and Private Sector" realize that the quality of the records along with the quality of the services and products that the "Private Sector" produce are dependent upon the information available in the recorders office and either in handwritten hard copy or computer records.

The volume of recordings continue to increase and the systems of yesterday are not capable of handling the reams of information. Documents recorded in Johnson County for the years 1995, and 2001 are shown below for comparisons.

1995	2001
103,134	148,500

From 1995 to 2001 the yearly volume increased by approximately 45,000 documents. There were 682,000 pages making up the 148,500 documents filed in 2001. This increase in volume and pages was on the same system that was placed into service in 1987 and was still used fourteen years later in 2001, with some modifications.

In the summer of 2001, the computer system in Johnson County was DOWN and OUT of commission for approximately four (4) weeks. During this time there were NO records available from the recorders office from December 1987 to the time the computer crashed. The only records available was the old tract index in the land books that were hand posted and that posting was discontinued in 1987. The hardware and software are outdated and unable to keep up with the demands placed on it by the volume of documents filed.

We support this legislation because we see the advantages and benefits that is offered to everyone in all counties in Kansas. This legislation offers the opportunity to collect useable funds for technology in the recorders office from those who have real estate transactions that need to be recorded and preserved. Of most importance is the fact that the increase in recording fees collected on a real estate transaction will be minimal.

The PRESERVATION and the INTEGRITY of documents filed in the recorders office is of the

utmost importance. This legislation will allow each county to collect funds based on usage and the volume of documents recorded in that county. This is of great benefit to all people in Kansas. Each recorder's office will have funds available to it for use in the local office to meet needs of technology and other needs that are not in the general budget allocated by the county commissioners; each county will support its need at the local level and the small county will not be taxed by the state to support larger counties. Thus both the small and large counties will have available to them the ability to address problems at the local level.

As the volume continues to increase so will the need for new hardware with larger capacity and software that can be upgraded. Hardware has a limited life span and a limited ability to store the information from a growing data base and software becomes outdated. Funds are needed to meet this demand for new equipment and software and should be available with accountability.

The Uniform Electronic Transaction Act of 1999, and the Electronic Signatures in Global and National Commerce Act of 2000, brought electronic recordings and electronic signatures from the future to the present. No more paper to microfilm or scan; instead a data file from one computer to another. Major lenders on both the East and West coast are pushing the need and use of electronic filing. No, we were not ready to give up the actual paper copy of the recorded document for microfilm, much less the microfilm copy of the actual document for just an e-mailed image on the computer screen. However, the time is here and the request for the availability of electronic filing are beginning to surface in the metropolitan counties, and these counties must be in a position to accommodate the need. This legislation will provide an avenue for each county to collect funds based on usage and the need for technology.

Our business is customer service. Our product is the same as most other title companies, the difference being how we serve our customers and the services we provide them. The prospect of on-line access to the records office would allow greater customer service in a more timely manner. There are many times when a project could be completed after the records office is closed, rather than interrupted and completed the next day.

On-line access would allow the "Private Sector" to access the records from their offices and free up computer terminals in the records offices, thus allowing the "Public Sector" more access to the records. Not a big deal? In Johnson County there are over twenty (20) title companies using the records office at sometime during the day. Most of these companies have at least two employees wanting to use the five (5) computer terminals. When you add in the appraisers, the attorney's, mortgage and insurance people, and John Q. Public, the system becomes overloaded, and the demand is overwhelming.

We support this legislation because it affords the opportunity to allocate funds for needed improvements to the county records across Kansas, without taxing those who do not use or need the system and without stretching the already over extended county budget.

We support this legislation because it lends itself to efficient county government. A county records office that can help support its needs from user fees collected for the recording work it does. An efficient records office with funds supplied by need to operate with equipment and

technology based on need.

An efficient county records office that can, in a timely manner, record both hard copy and electronic filed documents and return the recorded documents without delay. Timely recordings allow the seller to receive the proceeds from the sell of their real estate so they can close the purchase of another home and move in immediately. Timely recording allow the borrower to have their loan funded for the purchase of a home or the monies from a refinanced loan or home equity loan presented to them without delay.


By being an efficient county records office the availability of recorded documents is timely and the preservation and integrity of the county records is without question.

Also, I have placed before you a written statement, which I will summerize briefly, from the Kansas Land Title Association.

The Kansas Land Title Association supports this legislation which presents the opportunity for the county recorders to have the funds to secure the technology for preservation of the records and to protect the integrity of the records

Again, THANK YOU for your time today. We will be happy to try and answer any question you might have.


Douglas L. Simmons


Norma A. Noah

KANSAS LAND TITLE ASSOCIATION
8621 E. 21ST NORTH
SUITE 150
WICHITA, KS 67206

February 19, 2002

Senate Elections and Local Government Committee
State Capitol - Room 245-N
Topeka, KS 66612

Re: Senate Bill 564

Dear Chairperson:

The Kansas Land Title Association, which represents abstracters and title insurance agents in 105 counties, supports efforts of the registers of deeds throughout Kansas to preserve, protect and make readily accessible Kansas real estate records.

Our Association does not object to increasing recording fees to fund a technology fund in the each county in Kansas, however, it is recommended that recording fees in Kansas be uniform throughout the state.

Sincerely,

Kansas Land Title Association
Roy H. Worthington
Chairman, Legislative Committee