HOUSE RESEARCH

Bill Summary

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Overview

This bill involves funding for the Electronic Real Estate Recording Task Force (ERERTF), created by the legislature in 2000. In 2001, the legislature provided funding for this group by temporarily increasing the surcharge by 50 cents on the recording of deeds and similar documents with the county recorders. This bill would extend that surcharge to include documents filed with the county registrars of title. There are two ways of keeping track of real estate titles in Minnesota: abstract and Torrens. If a property is abstract, documents are recorded with the county recorder. If a property is under the Torrens system, documents are filed with the county registrar of titles. This bill would apply the surcharge equally to documents regardless of the system (abstract or Torrens) under which they are to be filed. Prior to the 2001 legislation, the surcharge was $4.50, of which 50 cents was retained by the county and $4 went into the state general fund. Funding for the ERERTF temporarily increases the surcharge to $5, with the extra 50 cents going to the legislative coordinating commission (LCC) to be used for the ERERTF.

Section

1 **Standard documents.** Raises the surcharge on Torrens deeds and other documents by 50 cents to fund the ERERTF.

2 **Standard documents.** Same as section 1, but applies to Torrens documents under a different Torrens procedure.

3 **Additional fund source for 2001 appropriation.** Provides that the funds raised under sections 1 and 2 are to be added to the funding available to ERERTF under 2001 legislation.

4 **Period of effect.** Provides that the 50 cent surcharge in sections 1 and 2 is effective until June 30, 2003 and applies to documents based upon when they are acknowledged or filed. Provides that section 3 applies from ten business days after enactment until June 30, 2003.