SB2805 Enrolled

1 AN ACT concerning civil law.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

- Section 5. The Uniform Real Property Electronic Recording
 Act is amended by changing Section 5 as follows:
- 6 (765 ILCS 33/5)
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Sec. 5. Administration and standards.

8 (a) To adopt standards to implement this Act, there is 9 established, within the Office of the Secretary of State, the 10 Illinois Electronic Recording Commission consisting of <u>17</u> 15 11 commissioners as follows:

- 12 (1) The Secretary of State or the Secretary's designee13 shall be a permanent commissioner.
- 14 (2) The Secretary of State shall appoint the following
 15 additional <u>16</u> 14 commissioners:
- 16 (A) Three who are from the land title profession.
- 17 (B) Three who are from lending institutions.
 - (C) One who is an attorney.
- (D) Seven who are county recorders, no more than 4
 of whom are from one political party, representative of
 counties of varying size, geography, population, and
 resources.
 - (E) Two who are licensed real estate brokers or

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managing brokers under the Real Estate License Act of 2000.

3 (3) On the effective date of this Act, the Secretary of State or the Secretary's designee shall become the Acting 4 Chairperson of the Commission. The Secretary shall appoint 5 the initial commissioners within 60 days and hold the first 6 7 meeting of the Commission within 120 days, notifying 8 commissioners of the time and place of the first meeting 9 with at least 14 days' notice. At its first meeting the Commission shall adopt, by a majority vote, such rules and 10 11 structure that it deems necessary to govern its operations, 12 including the title, responsibilities, and election of officers. Once adopted, the rules and structure may be 13 14 altered or amended by the Commission by majority vote. Upon 15 the election of officers and adoption of rules or bylaws, 16 the duties of the Acting Chairperson shall cease.

17 (4) The Commission shall meet at least once every year
18 within the State of Illinois. The time and place of
19 meetings to be determined by the Chairperson and approved
20 by a majority of the Commission.

21 (5) <u>Nine</u> Eight commissioners shall constitute a
 22 quorum.

(6) Commissioners shall receive no compensation for
their services but may be reimbursed for reasonable
expenses at current rates in effect at the Office of the
Secretary of State, directly related to their duties as

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commissioners and participation at Commission meetings or while on business or at meetings which have been authorized by the Commission.

(7) Appointed commissioners shall serve terms of 3 4 5 years, which shall expire on December 1st. Five of the initially appointed commissioners, including at least 2 6 7 county recorders, shall serve terms of one year, 5 of the 8 initially appointed commissioners, including at least 2 9 county recorders, shall serve terms of 2 years, and 4 of 10 the initially appointed commissioners shall serve terms of 11 3 years, to be determined by lot. Of the commissioners 12 appointed under subparagraph (E) of paragraph (2) of this subsection, one of the initially appointed commissioners 13 14 shall serve a term of 2 years and one of the initially 15 appointed commissioners shall serve a term of 3 years, to 16 be determined by lot. The calculation of the terms in 17 office of the initially appointed commissioners shall begin on the first December 1st after the commissioners 18 have served at least 6 months in office. 19

(8) The Chairperson shall declare a commissioner's
office vacant immediately after receipt of a written
resignation, death, a recorder commissioner no longer
holding the public office, or under other circumstances
specified within the rules adopted by the Commission, which
shall also by rule specify how and by what deadlines a
replacement is to be appointed.

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1 (c) The Commission shall adopt and transmit to the 2 Secretary of State standards to implement this Act and shall be 3 the exclusive entity to set standards for counties to engage in 4 electronic recording in the State of Illinois.

5 (d) To keep the standards and practices of county recorders in this State in harmony with the standards and practices of 6 7 offices in other jurisdictions that recording enact 8 substantially this Act and to keep the technology used by 9 county recorders in this State compatible with technology used 10 by recording offices in other jurisdictions that enact 11 substantially this Act, the Commission, so far as is consistent 12 with the purposes, policies, and provisions of this Act, in adopting, amending, and repealing standards shall consider: 13

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(1) standards and practices of other jurisdictions;

15 (2) the most recent standards promulgated by national
16 standard-setting bodies, such as the Property Records
17 Industry Association;

18 (3) the views of interested persons and governmental19 officials and entities;

20 (4) the needs of counties of varying size, population,
21 and resources; and

(5) standards requiring adequate information security
 protection to ensure that electronic documents are
 accurate, authentic, adequately preserved, and resistant
 to tampering.

26 (e) The Commission shall review the statutes related to

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1 real property and the statutes related to recording real 2 property documents and shall recommend to the General Assembly 3 any changes in the statutes that the Commission deems necessary 4 or advisable.

5 (f) Funding. The Secretary of State may accept for the 6 Commission, for any of its purposes and functions, donations, 7 gifts, grants, and appropriations of money, equipment, 8 supplies, materials, and services from the federal government, 9 the State or any of its departments or agencies, a county or 10 municipality, or from any institution, person, firm, or 11 corporation. The Commission may authorize a fee payable by 12 counties engaged in electronic recording to fund its expenses. 13 Any fee shall be proportional based on county population or 14 number of documents recorded annually. On approval by a county recorder of the form and amount, a county board may authorize 15 16 payment of any fee out of the special fund it has created to 17 fund document storage and electronic retrieval, as authorized in Section 3-5018 of the Counties Code. Any funds received by 18 the Office of the Secretary of State for the Commission shall 19 20 be used entirely for expenses approved by and for the use of the Commission. 21

(g) The Secretary of State shall provide administrative support to the Commission, including the preparation of the agenda and minutes for Commission meetings, distribution of notices and proposed rules to commissioners, payment of bills and reimbursement for expenses of commissioners. SB2805 Enrolled - 6 - LRB099 19731 HEP 44129 b

1 (h) Standards and rules adopted by the Commission shall be 2 delivered to the Secretary of State. Within 60 days, the 3 Secretary shall either promulgate by rule the standards 4 adopted, amended, or repealed or return them to the Commission, 5 with findings, for changes. The Commission may override the 6 Secretary by a three-fifths vote, in which case the Secretary 7 shall publish the Commission's standards.

8 (Source: P.A. 95-472, eff. 8-27-07.)