

Report From Agency

ADMINISTRATIVE RULES REPORT TO LEGISLATURE Clearinghouse Rule 08-084

By the Department of Administration relating to Chapter Adm 70

Basis and Purpose of Proposed Rule:

The Department proposes to create Chapter Adm 70, regarding technical standards for electronic recording of documents in the County Register of Deeds Offices in Wisconsin. Pursuant to s. 706.25(4), Stats., the Department is required to promulgate by rule the standards adopted, amended or repealed by the Wisconsin Electronic Recording Council under the Uniform Real Property Electronic Recording Act. The proposed rule sets forth standards and requirements designed to promote standard practices, security and efficiencies in recording documents electronically with the offices of the register of deeds in Wisconsin.

Incorporation of Standards by Reference:

On December 11, 2008, the Department requested approval from the Attorney General's Office to incorporate standards promulgated by the Property Records Industry Association and the Mortgage Industry Standards Maintenance Organization by reference into proposed Chapter Adm 70. On December 17, 2008, The Attorney General consented to the proposed incorporation by reference on the condition that the proposed rule explicitly state that the referenced standards are on file in the offices of the Wisconsin Electronic Recording Council and the Legislative Reference Bureau. The rule has been amended in s. Adm 7.03(2) to provide the sources for physical copies of current standards, which include the offices of the Legislative Reference Bureau and the Electronic Recording Council of Wisconsin.

Response to Legislative Council Staff Recommendations

A copy of the Clearinghouse Report is attached. All of the recommendations have been incorporated into the rule.

1. Statutory Authority.

Language modified in ss. Adm 70.03 and 70.04 to reference source of current standards and business requirements imported by reference and provide for annual review by council to adopt changes to version cited in rule.

4. Adequacy of References Related to Statutes, Rules and Forms

- a. Corrected form of citations in "Related Statute or Rule" section.
- b. Incorporated appropriate statutory references in subs. Adm 70.02(6) and (7)
- c. Deleted reference to s. 66.02, Stats. in s. Adm 70.06
- d. Reference to UETA replaced by appropriate statutory reference in s. Adm 70.07.

5. Clarity, Grammar, Punctuation and Use of Plain Language

Added specific reference and citation to versions of standards imported in s. Adm 70.03.

Public Hearing and List of Persons Who Appeared or Registered at Public Hearing:

Three public hearings were held on the proposed rule on January 14, 2009 in Madison, January 15, 2009 in Green Bay, and January 21, 2009 in Eau Claire. Transcripts of the hearings are attached. No modifications were made to the proposed rule as a result of testimony at the hearings. The following persons appeared/registered at the hearings:

January 14, 2009

Larry Snyder, Premier Title - appearing for information
Callie Snyder, Premier/Gatewood Title – appearing for information
Kim Coleman, Community Title LLC – appearing for information
Brian D. Frame, Radian Guaranty – appearing for information

January 15, 2009

Patrick Ford – appearing in favor
Jennifer Gautreaux, Oneida Tribe of Indians of WI – appearing for information
Lauren Hartman, Oneida Tribe of Indians of WI – appearing for information

January 21, 2009

Kathryn Christenson, Eau Claire County Register of Deeds Office – appearing for informational purposes
Rose Ottum, Trempealeau County Register of Deeds Office – appearing in favor
Mary L. Kaiser, Eau Claire County Register of Deeds Office – appearing in favor
Marge Geissler, Chippewa County Register of Deeds Office – appearing in favor

Summary of Public Comments and Agency Response to Comments:

No written comments were received.

Final Regulatory Flexibility Analysis

A final regulatory flexibility analysis is not required because the rule will not have a significant economic impact on a substantial number of small businesses, as defined in s. 227.114(1), Stats.