

2373

2011-2012 Regular Sessions

I N S E N A T E

January 19, 2011

Introduced by Sen. STEWART-COUSINS -- read twice and ordered printed,
and when printed to be committed to the Committee on Energy and Tele-
communications

AN ACT to amend the state technology law, the real property law and the
civil practice law and rules, in relation to permitting electronic
recording of instruments affecting real property

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivisions 3 and 4 of section 307 of the state technology
2 law, such section as renumbered by chapter 437 of the laws of 2004, are
3 amended to read as follows:
4 3. [To any conveyance or other instrument recordable under article
5 nine of the real property law.
6 4.] To any other document that the electronic facilitator has specif-
7 ically excepted, pursuant to the rules and regulations of the electronic
8 facilitator, from the application of this article.
9 S 2. Section 290 of the real property law, subdivision 4 as amended by
10 chapter 569 of the laws of 1925, subdivision 5 as amended by chapter 317
11 of the laws of 1943 and subdivision 6 as renumbered by chapter 227 of
12 the laws of 1926, is amended to read as follows:
13 S 290. Definitions; effect of article. 1. The term "real property," as
14 used in this article, includes lands, tenements and hereditaments and
15 chattels real, except a lease for a term not exceeding three years.
16 2. The term "purchaser" includes every person to whom any estate or
17 interest in real property is conveyed for a valuable consideration, and
18 every assignee of a mortgage, lease or other conditional estate.
19 3. The term "conveyance" includes every written instrument, by which
20 any estate or interest in real property is created, transferred, mort-
21 gaged or assigned, or by which the title to any real property may be
22 affected, including an instrument in execution of a power, although the
23 power be one of revocation only, and an instrument postponing or subor-

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 dinating a mortgage lien; except a will, a lease for a term not exceed-
2 ing three years, an executory contract for the sale or purchase of
3 lands, and an instrument containing a power to convey real property as
4 the agent or attorney for the owner of such property.

5 4. The term "recording officer" means the county clerk of the county,
6 except in a county having a register, where it means the register of the
7 county.

8 5. "Recording" or "recorded" means the entry, at length, upon the
9 pages of the proper record books in a plain and legible hand writing, or
10 in print or in symbols of drawing or by photographic process or partly
11 in writing, partly in printing, partly in symbols of drawing or partly
12 by photographic process or by any combination of writing, printing,
13 drawing or photography or either or any two of them, OR BY AN ELECTRONIC
14 PROCESS BY WHICH A RECORD OR INSTRUMENT AFFECTING REAL PROPERTY, AFTER
15 DELIVERY IS INCORPORATED INTO THE PUBLIC RECORD. "Recording" or
16 "recorded" also means the reproduction of instruments by microphotogra-
17 phy or other photographic process on film which is kept in appropriate
18 files.

19 6. "ELECTRONIC" MEANS OF OR RELATING TO TECHNOLOGY HAVING ELECTRICAL,
20 DIGITAL, MAGNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC OR SIMILAR CAPA-
21 BILITIES.

22 7. "ELECTRONIC RECORD" MEANS INFORMATION EVIDENCING ANY ACT, TRANS-
23 ACTION, OCCURRENCE, EVENT OR OTHER ACTIVITY, PRODUCED OR STORED BY ELEC-
24 TRONIC MEANS AND CAPABLE OF BEING ACCURATELY REPRODUCED IN FORMS PERCEP-
25 TIBLE BY HUMAN SENSORY CAPABILITIES.

26 8. "ELECTRONIC SIGNATURE" MEANS AN ELECTRONIC SOUND, SYMBOL, OR PROC-
27 ESS, ATTACHED TO OR LOGICALLY ASSOCIATED WITH AN ELECTRONIC RECORD AND
28 EXECUTED OR ADOPTED BY A PERSON WITH THE INTENT TO SIGN THE RECORD.

29 9. "PAPER DOCUMENT" MEANS A DOCUMENT IN A FORM THAT IS NOT ELECTRONIC.

30 10. "DIGITIZED PAPER DOCUMENT" MEANS A DIGITIZED IMAGE OF A PAPER
31 DOCUMENT THAT ACCURATELY DEPICTS THE INFORMATION ON THE PAPER DOCUMENT
32 IN A FORMAT THAT CANNOT BE ALTERED WITHOUT DETECTION.

33 11. "WET SIGNATURE" MEANS A SIGNATURE AFFIXED IN INK OR PENCIL OR
34 OTHER MATERIAL TO A PAPER DOCUMENT.

35 12. This article does not apply to leases for life or lives, or for
36 years, heretofore made, of lands in either of the counties of Albany,
37 Ulster, Sullivan, Herkimer, Dutchess, Columbia, Delaware or Schenectady.

38 S 3. The real property law is amended by adding a new section 291-i to
39 read as follows:

40 S 291-I. VALIDITY OF ELECTRONIC RECORDING. 1. NOTWITHSTANDING ANY LAW
41 TO THE CONTRARY, (A) WHERE A LAW, RULE OR REGULATION REQUIRES, AS A
42 CONDITION FOR RECORDING, THAT AN INSTRUMENT AFFECTING REAL PROPERTY BE
43 AN ORIGINAL, BE ON PAPER OR ANOTHER TANGIBLE MEDIUM OR BE IN WRITING,
44 THE REQUIREMENT IS SATISFIED BY A DIGITIZED PAPER DOCUMENT OR AN ELEC-
45 TRONIC RECORD OF SUCH INSTRUMENT;

46 (B) WHERE A LAW, RULE OR REGULATION REQUIRES, AS A CONDITION FOR
47 RECORDING, THAT AN INSTRUMENT AFFECTING REAL PROPERTY BE SIGNED, THE
48 REQUIREMENT IS SATISFIED, WHERE THE INSTRUMENT EXISTS AS A DIGITIZED
49 PAPER DOCUMENT, IF THE DIGITIZED IMAGE OF A WET SIGNATURE OF THE PERSON
50 EXECUTING SUCH INSTRUMENT APPEARS ON SUCH DIGITIZED PAPER DOCUMENT OR,
51 WHERE THE INSTRUMENT EXISTS AS AN ELECTRONIC RECORD, IF THE INSTRUMENT
52 IS SIGNED BY USE OF AN ELECTRONIC SIGNATURE;

53 (C) WHERE A LAW, RULE OR REGULATION REQUIRES, AS A CONDITION OF
54 RECORDING, THAT AN INSTRUMENT AFFECTING REAL PROPERTY OR A SIGNATURE
55 ASSOCIATED WITH SUCH AN INSTRUMENT BE NOTARIZED, ACKNOWLEDGED, VERIFIED,
56 WITNESSED OR MADE UNDER OATH, THE SIGNATURE REQUIREMENT IS SATISFIED IF:

(I) THE DIGITIZED IMAGE OF A WET SIGNATURE OF THE PERSON AUTHORIZED TO PERFORM THAT ACT AND ANY STAMP, IMPRESSION OR SEAL REQUIRED BY LAW TO BE INCLUDED, APPEARS ON A DIGITIZED PAPER DOCUMENT OF SUCH INSTRUMENT; OR (II) THE ELECTRONIC SIGNATURE OF THE PERSON AUTHORIZED TO PERFORM THAT ACT, AND ALL OTHER INFORMATION REQUIRED TO BE INCLUDED, IS ATTACHED TO OR LOGICALLY ASSOCIATED WITH AN ELECTRONIC RECORD OF SUCH INSTRUMENT, PROVIDED, HOWEVER THAT NO PHYSICAL OR ELECTRONIC IMAGE OF A STAMP, IMPRESSION OR SEAL SHALL BE REQUIRED TO ACCOMPANY SUCH ELECTRONIC SIGNATURE.

(D) WHERE A LAW, RULE OR REGULATION REQUIRES, AS A CONDITION OF RECORDING AN INSTRUMENT AFFECTING REAL PROPERTY, THAT ANY ACCOMPANYING DOCUMENT BE FILED THEREWITH, THE REQUIREMENT IS SATISFIED IF, IN THE CASE OF RECORDING BY ELECTRONIC MEANS, A DIGITIZED PAPER DOCUMENT OR ELECTRONIC RECORD OF ANY SUCH ACCOMPANYING DOCUMENT IS PRESENTED TO THE RECORDING OFFICER AT THE SAME TIME AS SUCH INSTRUMENT IS RECORDED BY ELECTRONIC MEANS; PROVIDED THAT EACH SUCH DOCUMENT OR RECORD SHALL BE PRESENTED TO THE RECORDING OFFICER AS A SEPARATE DIGITIZED PAPER DOCUMENT OR ELECTRONIC RECORD UNTO ITSELF.

2. (A) A RECORDING OFFICER MAY RECORD A DIGITIZED PAPER DOCUMENT PURSUANT TO THIS SECTION IF SUCH DOCUMENT IS AFFIRMED AS A TRUE, ACCURATE AND COMPLETE COPY OF THE ORIGINAL PAPER DOCUMENT. THE AFFIRMATION CONCERNING SUCH DIGITIZED PAPER DOCUMENT SHALL BE MADE BY THE CUSTODIAN OF THE ORIGINAL PAPER DOCUMENT AND THE SIGNATURE OF THAT PERSON SHALL BE ACKNOWLEDGED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF THIS ARTICLE GOVERNING ACKNOWLEDGEMENT OR PROOF OF A CONVEYANCE OF REAL PROPERTY. THE AFFIRMATION SHALL BE TRANSMITTED WITH SUCH DIGITIZED PAPER DOCUMENT AND SHALL BE RECORDED BY THE RECORDING OFFICER AS A PART OF THE DOCUMENT BEING RECORDED. THE AFFIRMATION CONCERNING SUCH DIGITIZED PAPER DOCUMENT MUST CONFORM SUBSTANTIALLY WITH THE FOLLOWING FORM, THE BLANKS BEING PROPERLY FILLED:

AFFIRMATION CONCERNING DIGITIZED PAPER DOCUMENTS PRESENTED FOR
RECORDING

STATE OF NEW YORK)

SS:

COUNTY OF _____)

I HEREBY AFFIRM, THAT THE DIGITIZED PAPER DOCUMENT(S) PRESENTED HERewith WAS (WERE) CREATED BY A SOFTWARE APPLICATION OR OTHER ELECTRONIC PROCESS WHICH STORES AN IMAGE OF THE ORIGINAL PAPER DOCUMENT AND WHICH DOES NOT PERMIT ADDITIONS, DELETIONS, OR CHANGES TO THE DIGITIZED IMAGE, OR IF ADDITIONS, DELETIONS, OR CHANGES ARE PERMITTED, A MEDIA TRAIL EXISTS WHICH CREATES AN ELECTRONIC RECORD WHICH MAKES IT POSSIBLE TO IDENTIFY THESE CHANGES. I AFFIRM THAT I HAVE PERSONALLY EXAMINED ALL PAGES OF THE ORIGINAL PAPER DOCUMENT(S) WHICH CONTAIN(S) A WET SIGNATURE AND COMPARED THEM TO ALL PAGES OF THE DIGITIZED PAPER DOCUMENT PRESENTED HERewith FOR RECORDING AND THE ATTACHED DIGITIZED PAPER DOCUMENT IS A TRUE, ACCURATE, AND COMPLETE ELECTRONIC IMAGE OF THE ORIGINAL PAPER DOCUMENT. I FURTHER AFFIRM THAT EACH SIGNATURE OR MARK ON THE ORIGINAL PAPER DOCUMENT IS A WET SIGNATURE OR MARK.

SUBSCRIBED AND AFFIRMED, UNDER THE PENALTY OF PERJURY,

by _____ on _____

PRINT NAME OF AFFIRMANT

INSERT DATE

SIGNATURE OF AFFIRMANT

ON THE _____ DAY OF _____ IN THE YEAR _____ BEFORE ME PERSONALLY APPEARED _____, TO MAKE THIS AFFIRMATION CONCERNING THE

1 DIGITIZED PAPER DOCUMENT PRESENTED FOR RECORDING AND/OR FILING, WITH
2 WHOM I AM PERSONALLY ACQUAINTED, WHO, BEING BY ME FIRST DULY SWORN, DID
3 DEPOSE AND SAY THAT HE/SHE RESIDES IN _____; AND THAT
4 HE/SHE IS THE INDIVIDUAL DESCRIBED IN AND WHO EXECUTED THE FOREGOING
5 AFFIRMATION CONCERNING DIGITIZED PAPER DOCUMENTS PRESENTED FOR RECORDING
6 OR FILING.

7 (SIGNATURE OF NOTARY)

8 (B) FOR PURPOSES OF THIS SUBDIVISION, A CUSTODIAN OF THE ORIGINAL
9 PAPER DOCUMENTS WHO MAKES THE AFFIRMATION REQUIRED BY THIS SUBDIVISION
10 SHALL NOT BE REQUIRED TO KEEP, HOLD OR MAINTAIN SUCH DOCUMENTS AFTER THE
11 DATE ON WHICH THE DIGITIZED PAPER DOCUMENTS OF SUCH ORIGINAL PAPER DOCU-
12 MENTS ARE RECORDED OR FILED.

13 3. NOTHING IN THIS SECTION OR ANY OTHER PROVISION OF LAW SHALL BE
14 CONSTRUED TO REQUIRE THE RECORDING BY ELECTRONIC MEANS OF INSTRUMENTS
15 AFFECTING REAL PROPERTY.

16 4. WHERE ANY RECORDING OFFICER PERMITS OR REQUIRES INSTRUMENTS AFFECT-
17 ING REAL PROPERTY AND ANY ACCOMPANYING DOCUMENTS TO BE PRESENTED FOR
18 RECORDING OR FILING AS DIGITIZED PAPER DOCUMENTS OR ELECTRONIC RECORDS
19 PURSUANT TO THIS SECTION, SUCH RECORDING BY ELECTRONIC MEANS SHALL BE IN
20 ACCORDANCE WITH THE RULES, REGULATIONS, GUIDELINES, STANDARDS AND POLI-
21 CIES ESTABLISHED BY THE ELECTRONIC FACILITATOR PURSUANT TO SUBDIVISION
22 FIVE OF THIS SECTION.

23 5. IN ORDER TO ENSURE CONSISTENCY IN THE STANDARDS AND PRACTICES OF,
24 AND THE TECHNOLOGY USED BY RECORDING OFFICERS IN THE STATE, THE ELEC-
25 TRONIC FACILITATOR, AS DESCRIBED IN SECTION THREE HUNDRED THREE OF THE
26 STATE TECHNOLOGY LAW, SHALL, CONSISTENT WITH THE PROVISIONS OF ARTICLE
27 THREE OF THE STATE TECHNOLOGY LAW, PROMULGATE RULES, REGULATIONS, GUIDE-
28 LINES, STANDARDS AND POLICIES, AND AMENDMENTS THERETO, AS APPROPRIATE
29 GOVERNING THE USE AND ACCEPTANCE OF DIGITIZED PAPER DOCUMENTS, ELECTRON-
30 IC RECORDS AND ELECTRONIC SIGNATURES UNDER THIS ARTICLE, TAKING INTO
31 CONSIDERATION: (A) THE MOST RECENT STANDARDS PROMULGATED BY NATIONAL
32 STANDARD-SETTING BODIES SUCH AS, WITHOUT LIMITATION, THE PROPERTY
33 RECORDS INDUSTRY ASSOCIATION; (B) THE VIEWS OF INTERESTED PERSONS AND
34 GOVERNMENTAL OFFICIALS AND ENTITIES, INCLUDING BUT NOT LIMITED TO
35 RECORDING OFFICERS AND REPRESENTATIVES OF THE STATE TITLE, LEGAL AND
36 BANKING INDUSTRIES; AND (C) THE NEEDS OF COUNTIES OF VARYING SIZE, POPU-
37 LATION, AND RESOURCES. SUCH PROMULGATION SHALL INCLUDE BUT NOT BE LIMIT-
38 ED TO STANDARDS REQUIRING ADEQUATE INFORMATION SECURITY PROTECTION TO
39 ENSURE THAT ELECTRONIC RECORDS OF INSTRUMENTS AFFECTING REAL PROPERTY
40 DOCUMENTS ARE ACCURATE, AUTHENTIC, ADEQUATELY PRESERVED AND RESISTANT TO
41 TAMPERING.

42 6. NOTHING CONTAINED IN THIS SECTION SHALL BE CONSTRUED TO AUTHORIZE A
43 RECORDING OFFICER TO FURNISH DIGITIZED PAPER DOCUMENTS OF THE REPORTS
44 REQUIRED BY SECTION FIVE HUNDRED SEVENTY-FOUR OF THE REAL PROPERTY TAX
45 LAW. SUCH REPORTS SHALL BE FURNISHED AS PAPER DOCUMENTS WITH THE REQUI-
46 SITE NOTATIONS THEREON, EXCEPT WHERE THE STATE BOARD OF REAL PROPERTY
47 SERVICES HAS AGREED TO ACCEPT DATA SUBMISSIONS IN LIEU THEREOF OR HAS
48 PROVIDED FOR THE ELECTRONIC TRANSMISSION OF SUCH DATA PURSUANT TO LAW.

49 S 4. Section 317 of the real property law is amended to read as
50 follows:

51 S 317. Order of recording. Every instrument, entitled to be recorded,
52 must be recorded by the recording officer in the order and as of the
53 time of its delivery to him OR HER therefor, and is considered recorded
54 from the time of such delivery; PROVIDED, HOWEVER, THAT A DIGITIZED
55 PAPER DOCUMENT OR AN ELECTRONIC RECORD SHALL BE CONSIDERED DELIVERED FOR
56 PURPOSES OF THIS SECTION AT THE DATE AND TIME OF RECEIPT INDICATED ON AN

1 ELECTRONIC OR OTHER WRITTEN NOTIFICATION WHICH SHALL BE PROVIDED BY THE
2 RECORDING OFFICER IMMEDIATELY UPON RECEIPT OF A DIGITIZED PAPER DOCUMENT
3 OR ELECTRONIC RECORD.

4 S 5. Clause 1 of subparagraph a of paragraph 4 of subdivision (a) of
5 section 8021 of the civil practice law and rules, as amended by chapter
6 288 of the laws of 2008, is amended to read as follows:

7 (1) For recording, entering, indexing and endorsing a certificate on
8 any instrument, five dollars, and, in addition thereto, three dollars
9 for each page or portion of a page, and fifty cents for each additional
10 town, city, block or other indices in which such instrument is to be
11 indexed as directed by the endorsement thereon. On the assignment of a
12 mortgage which assigns more than one mortgage or on a release of lease
13 which releases more than one lease, then there shall be an additional
14 fee of three dollars for every mortgage assigned or lease released in
15 excess of one. PROVIDED, HOWEVER, THAT THERE SHALL BE NO FEE FOR A PAGE
16 TRANSMITTED FOR RECORDING OR FILING THAT CONTAINS ONLY THE CERTIFICATION
17 AS TO AUTHENTICITY OF DIGITIZED PAPER DOCUMENTS PRESENTED FOR RECORDING
18 OR FILING PURSUANT TO SUBDIVISION TWO OF SECTION TWO HUNDRED
19 NINETY-ONE-I OF THE REAL PROPERTY LAW.

20 S 6. This act shall take effect on the two hundred seventieth day
21 after it shall have become a law; provided, however that the electronic
22 facilitator shall be authorized to promulgate rules, regulations, guide-
23 lines, standards and policies to effectuate this act prior to such
24 effective date.