State Bar of Michigan
Real Property Law Section
Michael Franck Building
306 Townsend Street
Lansing, MI 48933-2083

May 21, 2007

Committee on Intergovernmental,
Urban and Regional Affairs

Re: House Bills 4515 - 4519

Dear Committee Member:

On May 9, 2007, the Council of the Real Property Law Section of the State Bar of Michigan voted to oppose House Bills 4515 – 4519 in their present forms.

The bills that were introduced by Representative Barb Byrum would require the redacting of social security numbers from instruments recorded at County Register of Deeds offices, as well as from copies of previously recorded documents that are made available by the Registers of Deeds upon request.

We believe the bills, if adopted, would further slow the recording process for new documents, as well as delaying the ability of members of the public to obtain copies of already recorded documents from the Registers of Deeds.

For some time, the Section has been concerned about Michigan's system for recording documents relating to real estate. In many cases, significant time elapses before a document appears as recorded in Register of Deeds records. In other cases, there are marked differences in the order in which documents submitted to Registers are actually recorded. The vagaries in the recording process have resulted in hardships for parties relying on the timeliness of the recording process to protect their real estate interests. State and U.S. bankruptcy court judges have, in a number of cases, been asked to rule on disputes involving the priority of recorded instruments. A number of title companies are presently involved in litigation with the Wayne County Register of Deeds regarding recording issues.

Specifically as to HB 4515 – 4519, the Section is concerned that a Register of Deeds may delay reviewing or recording a document submitted to him/her until the document has been examined to determine if a social security number appears in it, or until the social security number is redacted.

We are also concerned that documents already of record may not expeditiously be made available to the party requesting them if the staffs of the Registers of Deeds need to review the documents and redact information included within them.

In addition to the possibility of delays in recording and distribution, the bills in their present form could also be deemed to raise questions as to the effectiveness of recorded documents in which social security numbers have inadvertently not been redacted.

Members of the Real Property Law Section would be happy to meet to discuss our concerns and possible solutions with you at your convenience.

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Thank you for consideration of our point of view.

Very truly yours,

C. Leslie Banas, Vice Chair
Real Property Law Section