

# **2018 MidWinter Meeting**

## **January 31, 2018**

### **Drifters Event Center, Fort Pierre, South Dakota**

After a light breakfast, President Travis Martin welcomed the attendees.

Kris Jacobsen with the SD Counties (Association of County Commissioners and of County Officials) spoke to our association about the SD eRecording Commission members. She stated that 17 counties are currently eRecording, and all of those counties use Simplifile. Four counties also use CSC. The cost to the customer is about \$5 per document. Timing is the most essential part of eRecording. Kris stated that eRecording makes it easier to get mistakes fixed faster. Melanie Gornick from Simplifile said there are a few more counties who went/are going live in the next week or 2, and she will send me a map.

Briefly thereafter, Deb Tridle with the Lawrence County Treasurer on behalf of Treasurer's Association spoke to our members about mobile home taxes. The current law means that many people are needing to pay many years in advance. This proves to be difficult for elderly people, for those who have passed away, and college towns who sell mobile homes every year. People were not transferring title because it was too expensive. There is now a new proposal that advance taxes will only need to be paid if the mobile home is physically being moved or destroyed. Senate Bill 90 has passed Senate unanimously and now goes to the House. Next is SB 11 tied with SB 1 and HB 27. She asked if there are questions, and none were asked.

President Travis Martin then moved onto the open business meeting. Motion by Traci Renkly, second by Mark Wahlstrom, and unanimous vote to call the meeting to order. With 77 members present, Travis declared a quorum present. Sarah Larson presented the Treasurer's report. There were two items of correspondence. First, the SDLTA sponsored the induction of Ernie Carlson into the South Dakota Hall of Fame. Sarah presented the marketing materials from the ceremony, showing our Association's sponsorship. Next, we received a Thank You and note of donation from the 2017 Annual Convention regarding a donation that Simplifile made on our behalf to the Yankton Area Habitat for Humanity. Sarah then presented a Financial Snapshot for the Association's review. There was a request by Sarah to approve payment of the lobbyist bill. Moved by Michael Anderson, seconded by Sam Benne, and approval by the group to do so.

Travis said he will let Matt McCaulley discuss legislative activity. He then reviewed a number of items for discussion, initially presented by Eric Hansen of Old Republic. We discussed accepting proof of E&O insurance in lieu of providing an Abstractor's Bond, which is currently required by law. Greg Wick stated they are not the same, and that a bond likely pays out without an issue. E&O rules are stricter. Removing state statute requirements would require significant work. There was a consensus

that it would not be an easy change, and question as to whether it is worth the effort.

Travis then brought up the topic of promoting our industry to college students, perhaps as a duty of the education committee. Eric Hansen stated he has been working with Ryan McKnight at SDSU about promoting our industry in minor real estate classes at SDSU. When the members were asked, there was no feedback on whether it might be helpful to put job postings on our website, other than Kathy Austen said its used very often in Minnesota.

On the topic of Transfer on Death Deeds, there was some question on how you confirm the death. A member stated that a Confirmation of Death is filed, along with a certified copy of death certificate. It was mentioned that there is a lack of title standards on the subject. There were some questions on how you list vesting when one is in the chain of title.

Brian Kramer opened discussion about still meeting the issue of Clerks of Court back-dating satisfactions and judgments on the UJS system. We need the Clerk's to be noting when they satisfy or file something after the fact. Will bring this up with Greg S. after lunch.

Travis mentioned the work needed for the Bylaws committee, to allow two people to attend the ALTA conventions.

Mark Wahlstrum stated he had the desire to be updated on legislative activity before the actual MidWinter meeting, by maybe distributing discussion topics prior to the meeting, so we are prepared for the meeting and the legislative dinner. Secretary/Treasurer Sarah Larson mentioned that if anyone is ever interested in committee or board activity, always let her know because the nominating committee and president are always looking to fill spots.

Jim Ashmore then updated us on the 2018 convention in Custer. He stated it is going to be focused on networking and the agenda will be fairly open. A shuttle service will give us rides to and from the lodge to the reunion cabin for the Wednesday evening social. There are tons of things to do in the area. The banquet will include drink tickets and focus on socializing, instead of hiring an entertainer. Information will be dense and useful, but there will be lots of decompression & vacation time.

Motion by Traci Renkly to adjourn the business meeting; second by Michael Larson, and all approved. We then took a break for lunch.

After a delicious lunch was served, Lobbyist Matt McCaulley spoke to us with a legislative update. Entertaining as always, Matt presented a PowerPoint informing us of the factors affecting the current legislative year. The number of total bills spiked for this year compared to the previous few. We are still talking about the

open waters compromise, and new this year is a focus on data breach laws. Some discussion followed.

Greg Sattizahn from UJS then spoke to our Association. In exciting new developments, we are now the priority group to test the new pilot system for online court file access. They currently have screens finished and are troubleshooting the seamlessness of the program. They are looking to send the program to limited test-subjects in May. This would allow abstractors to view any open case types; sealed cases will not be available online. He went through a brief demo of the website.

Kathy Austen then spoke to the group about eNotarization. She reviewed the history of notarization and notary laws. We currently have a statute that does permit electronic notarization. An eNotarization would work by requiring the physical presence of the person whose signature is being notarized, and signing in an electronic form. We can reference the Uniform Electronic Transactions Act. The meta-data embedded in the sign documents create the idea that these documents are more protected from fraud than traditionally signed documents. It is important to note that REMOTE electronic notarization are completely different. Only two states, Virginia and Montana, currently use *remote* eNotarization. Montana requires that the remote notarization pertain to Montana property and Montana residents. In contrast, Virginia is open. The benefits of remote eNotarization are cost savings, efficiency, convenient, "green," secure, and works anytime/anywhere. The security aspect is questionable. Forging an ID electronically is easier. To make it safer, you would ask questions about the person's life, credit history, etc., that only the signer would know. They would need to answer within specific time period in order to "pass." Unfortunately, a video showing an example of remote notarization would not work.

The meeting was adjourned.