

BILL ANALYSIS

C.S.H.B. 2682
By: Elkins
Government Transparency & Operation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that the Property Records Industry Association develops and promotes national standards and best practices for the land records industry. The parties further explain that model 3 instruments are fully electronic documents that contain extensible markup language (XML) data elements based on the national standards and that these data elements can include certain information indexed by a county clerk who has implemented electronic recording technology. This allows the clerk to automatically extract relevant indexing information when a document is filed electronically. In order to improve the accuracy and efficiency of document recording, C.S.H.B. 2682 seeks to provide for the features of a model 3 instrument in electronically filed real property documents.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2682 amends the Local Government Code to authorize a county with a population of 3.3 million or more to adopt a requirement that an electronic document filed with the county clerk must have the features of a model 3 instrument, defined by the bill as an electronic document imbedded with Extensible Markup Language data that enables the electronic extraction of the instrument's indexing information, including all information required to be included in the document by applicable law or administrative rule. The bill authorizes a county clerk, not earlier than the first anniversary of the date the county adopts the requirement, to charge an additional fee for recording an electronic document that does not have all of the features of a model 3 instrument. The bill caps the fee at \$3 for an electronic document recorded on or after the first anniversary and before the second anniversary of the date the county adopted the requirement and at \$5 for an electronic document recorded on or after the second anniversary.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2682 may differ from the original in minor or nonsubstantive ways, the

following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Chapter 195, Local Government Code, is amended by adding Section 195.010 to read as follows:

Sec. 195.010. ELECTRONIC DOCUMENT FEATURES.

(a) In this section:

(1) "Extensible Markup Language" means a markup metalanguage designed to define data elements using customized tags, also referred to as XML.

(2) "Model 3 instrument" means an electronic document imbedded with Extensible Markup Language data that enables the electronic extraction of the instrument's indexing information, including all information required to be included in the document by applicable law or administrative rule.

(b) A county may adopt a requirement that an electronic document filed with the county clerk must have the features of a model 3 instrument.

(c) Notwithstanding Section 195.006, not earlier than the first anniversary of the date a county adopts the requirement under Subsection (b), the county clerk may charge an additional fee for recording an electronic document that does not have all of the features of a model 3 instrument.

(d) A fee under Subsection (c) may not exceed:

(1) \$3 for an electronic document recorded on or after the first anniversary and before the second anniversary of the date the county adopted the requirement; and

(2) \$5 for an electronic document recorded on or after the second anniversary of the date the county adopted the requirement.

SECTION 2. This Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Chapter 195, Local Government Code, is amended by adding Section 195.010 to read as follows:

Sec. 195.010. ELECTRONIC DOCUMENT FEATURES FOR DOCUMENTS FILED IN CERTAIN COUNTIES. (a) In this section:

(1) "Extensible Markup Language" means a markup metalanguage designed to define data elements using customized tags, also referred to as XML.

(2) "Model 3 instrument" means an electronic document imbedded with Extensible Markup Language data that enables the electronic extraction of the instrument's indexing information, including all information required to be included in the document by applicable law or administrative rule.

(b) A county with a population of 3.3 million or more may adopt a requirement that an electronic document filed with the county clerk must have the features of a model 3 instrument.

(c) Notwithstanding Section 195.006, not earlier than the first anniversary of the date a county adopts the requirement under Subsection (b), the county clerk may charge an additional fee for recording an electronic document that does not have all of the features of a model 3 instrument.

(d) A fee under Subsection (c) may not exceed:

(1) \$3 for an electronic document recorded on or after the first anniversary and before the second anniversary of the date the county adopted the requirement; and

(2) \$5 for an electronic document recorded on or after the second anniversary of the date the county adopted the requirement.

SECTION 2. Same as introduced version.