

SUBJECT: Allowing county clerk branch offices to offer expanded services

COMMITTEE: County Affairs — committee substitute recommended

VOTE: 5 ayes — Ramsay, B. Brown, Chisum, Farabee, Swinford
0 nays
4 absent — G. Lewis, Hilderbran, Krusee, Salinas

WITNESSES: For — Jim Allison, County Judges and Commissioners Association; Dana DeBeauvoir, County Clerks Legislative Committee

Against — John Cook, Title Data, Inc.

BACKGROUND: Local Government Code, Sec. 292.006 allows county commissioners courts, at the request of the county clerk, to maintain one or more branch offices anywhere in the county. The county clerk can authorize clerk deputies in the branch offices to take marriage applications and issue marriage licenses. Original records made at a branch office during the previous year must be filed on a regular basis at the county clerk's office in the county seat.

DIGEST: CSHB 1138 would allow county clerks to authorize county clerk deputies at branch offices to conduct any business except filing and recording real property records.

Records made at the branch office during the previous day would have to be filed daily, rather than on a regular basis, and no later than the start of the next business day, rather than yearly.

SUPPORTERS SAY: CSHB 1138 would make it more convenient for county residents to file documents, and request copies of various records, at branches of the county clerk's office. There is no reason for county residents to travel what may be long distances to go to the main office at the county seat. This often involves spending extra time fighting traffic, hunting for parking places, and standing in long lines. Branch offices in neighborhoods could easily satisfy their requests.

Under the bill, county clerk branch offices, which now only issue marriage licenses, could help constituents with a number of important tasks, including filing court documents, filing documents concerning opening new businesses, and filing military discharges. The county clerk would not authorize branch offices to conduct such business as accepting and recording certified court documents or bank assignments that would more appropriately be done at the central office.

The bill would require records made at branch offices to be filed daily with the county clerk's offices at the county seat, which should be sufficiently often for title companies and others who must update their records on a timely basis. CSHB 1138 would stipulate that branch offices could not file and record real property records. Those would remain centralized for convenience at the main county clerk's office.

**OPPONENTS
SAY:**

CSHB 1138 would delay title companies and others who need to search public records and act on those searches immediately. Under the bill, county clerk branch offices might handle official public records, like abstracts of judgments, court proceedings, and tax liens. Although the bill would bar branch offices from handling real property records, a number of other official public records are needed by title companies to go about their business in a timely manner.

There also is a chance that a deputy clerk might accidentally record a real property record without identifying it as such, resulting in such problems as two people filing a deed to the same location on the same day.

To do a thorough job researching a piece of property when information is needed within a 24-hour period, a title company, lender, or other entity that relies on public records would have to check both at the main county clerk's office and any branch offices in the area before taking certain actions. These delays could prove annoying to consumers who, for example, might have sold their house and are waiting for their escrow funds to be disbursed, or who need a loan immediately to qualify to buy a house.

The Texas Department of Insurance requires title companies to keep "title plants," which are a system of geographically indexed property records that must be updated periodically with any information that affects a particular piece of property. Having to search branch offices for additional records

concerning these properties would delay the updating of these records, an inconvenience to anyone dealing with real property.

NOTES:

The original bill would have allowed clerk's deputies to conduct any business, as determined by the county clerk, including the filing and recording of real property records. The substitute would require daily filing of original records made at branch offices with the county clerk's office at the county seat.

The companion bill, SB 1022 by Ellis, was referred to the Senate Intergovernmental Relations Committee on March 10.