



WHY YOUR STATE SHOULD ADOPT THE UNIFORM REAL PROPERTY ELECTRONIC RECORDING ACT

The Uniform Real Property Electronic Recording Act builds on the success of a previous uniform act, the Uniform Electronic Transactions Act (UETA). Together with the federal Electronic Signatures in Global and National Commerce Act (E-SIGN), UETA allowed the growth of electronic commerce by authorizing enforceable electronic documents. Many older laws require a contract, deed, or other legal document to be “in writing” or “signed” to be enforceable (the common law statute of frauds). Rather than requiring states to revise hundreds of these individual statutes, UETA is an overlay statute. If a law requires a document to be in writing, or to include a written signature, UETA states that the requirement is satisfied by an electronic document if the parties so agree, and those valid electronic documents are enforceable.

Although UETA was intended to apply to real estate contracts and deeds, those documents present an additional problem: they are generally recorded in public land records. An electronic deed may be enforceable between the grantor and grantee, but many recording offices still refuse to accept them. The Uniform Real Property Electronic Recording Act solves that problem by authorizing the electronic recording of deeds and other documents pertaining to real property. It should be adopted in every state because:

- ***The Act is flexible and permissive, not forcing.*** Nothing in the Act requires a recording office to accept electronic documents. Each office within a state can make its own determination based on available technology, needs of the marketplace, and financial resources. The uniform act does not require any particular technology or procedure, so each office may adapt its procedures based on future technological advances.
- ***The Act allows states to set their own standards.*** Under the Act, each state will create an Electronic Recording Commission to set statewide standards for electronic documents and procedures. The Property Records Industry Association has developed a set of guidelines that states may use. If a recording office elects to accept electronic documents, it must comply with the standards established by the state’s Electronic Recording Commission.
- ***The Act helps generate commerce and control costs through greater efficiency.*** Just as UETA allowed the growth of electronic commerce generally, adopting this Act can promote real property transactions. State recording offices will benefit from the greater efficiencies associated with electronic recording compared to paper-based systems.

For more information about the Uniform Real Property Electronic Recording Act, please contact Legislative Program Director Kaitlin Wolff at (312) 450-6615 or kwolff@uniformlaws.org.