LRB-4239/1 MES&EVM:jld:md

## 2009 ASSEMBLY BILL 727

February 11, 2010 – Introduced by Representatives Soletski, Hebl, Pope-Roberts, Smith, Lothian, Townsend, Vruwink, Dexter, Vos and Radcliffe, cosponsored by Senators Erpenbach, Lehman, Hansen, Kreitlow, Vinehout, Risser, Taylor and Olsen. Referred to Committee on Urban and Local Affairs.

AN ACT to renumber and amend 59.72 (4); to amend 16.967 (7) (a) (intro.),
59.43 (2) (ag) 1., 59.43 (2) (e), 59.43 (2) (i), 59.72 (3) (b), 59.72 (5) (a), 59.72 (5)
(b) (intro.) and 59.72 (5) (b) 3.; and to create 16.967 (3) (f), 16.967 (3) (g), 16.967
(7m), 59.43 (2) (L), 59.43 (4) (c), 59.43 (4) (d), 59.72 (2), 59.72 (3m), 59.72 (4) (b),
59.72 (5) (b) 1m. and 59.72 (6) of the statutes; relating to: changing the fees collected by a register of deeds, the redaction of social security numbers from electronic documents, and changes to the land information program.

## Analysis by the Legislative Reference Bureau

Under current law, the Department of Administration (DOA) directs and supervises the land information program and serves as a state clearinghouse for access to land information. Under the land information program, DOA provides technical assistance to state agencies and local governmental units with land information responsibilities, reviews and approves county plans for land records modernization, and provides aids to counties, derived from recording fee revenues collected by counties, for land records modernization projects.

Also under current law, a county board may establish a land information office or direct that the functions and duties of the office be performed by an existing county office. If a land information office is established, it is required to coordinate land information projects between different units and levels of government and between

the government and the private sector, develop and receive approval for a countywide plan for land records modernization, and review and recommend projects from local governmental units for grants from DOA.

Also under current law, counties collect a fee for recording and filing most instruments that are recorded or filed with a register of deeds. The fee is \$11 for the first page of an instrument and \$2 for each additional page. Counties must remit \$7 of each \$11 collected for recording or filing the first page of each instrument to DOA, which DOA uses the revenues to make grants to counties for land records modernization projects (modernization grants). However, if a county has established a land information office, receives approval from DOA for its land records modernization plan, and uses the money for certain specified purposes related to land records modernization, the county may retain \$5 of each \$7 fee that would otherwise be payable to DOA. Counties also collect a \$25 fee for recording certain probate certificates and for preparing and mailing certain probate documents.

Under this bill, counties collect a \$25 fee, regardless of the number of pages of the instrument, for recording or filing most instruments that are recorded or filed with a register of deeds. Counties must remit \$10 of each fee to DOA, which DOA uses to make modernization grants. If a county has, in addition to the three requirements under current law for retaining DOA fees, established a land information council, the county may retain \$8 of each \$10 fee that would otherwise be payable to DOA. Also under this bill, counties may temporarily collect a \$30 fee for recording or filing these instruments or for recording certain probate certificates or preparing and mailing certain probate documents if the county uses \$5 of each fee for purposes of redacting social security numbers from certain electronic format records. The \$30 fee reverts to a \$25 fee upon the earliest of the following: 1) completion of redaction of social security numbers from certain electronic format records; 2) January 1, 2012, unless an extension of time is granted by DOA; or 3) January 1, 2015.

Also under this bill, when the register of deeds transfers instruments filed with or recorded by the register of deeds before April 1, 2006, to an electronic format, he or she is required to make a reasonable effort to redact social security numbers from the instrument's electronic format.

Also under this bill, if a county retains fees otherwise payable to DOA or receives a grant from DOA under the land information program, the county must submit a report to DOA describing the expenditure of those funds. These funds must be used to design, develop, and implement a land information system and to make the system accessible on the Internet before being used for any other purpose and thereafter for purposes related to land records modernization. If DOA determines that these funds have been used for unauthorized purposes, DOA may suspend the eligibility of the county for further grants or retained fees.

Also under this bill, a county board that has created a land information office must create a land information council consisting of no less than seven members. The council reviews the priorities, needs, policies, and expenditures of the land information office and advises the county on matters affecting the land information office. Also, if a county employs countywide property assessment or maintains land

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records that identify the zoning classification of individual parcels, the county board must post on the Internet land records that identify the zoning classification of individual parcels.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 16.967 (3) (f) Review reports received under s. 59.72 (2) (b) and determine 3 whether county expenditures of funds received under sub. (7) and s. 59.72 (5) (b) have

been made for authorized purposes.

**SECTION 2.** 16.967 (3) (g) of the statutes is created to read:

**Section 1.** 16.967 (3) (f) of the statutes is created to read:

16.967 (3) (g) Post reports received under s. 59.72 (2) (b) on the Internet.

**SECTION 3.** 16.967 (7) (a) (intro.) of the statutes is amended to read:

16.967 (7) (a) (intro.) A county board that has established a county land information office under s. 59.72 (3) may apply to the department on behalf of any local governmental unit, as defined in s. 59.72 (1) (c), located wholly or partially within the county for a grant for any of the following projects, except that a county shall complete the project under subd. 1. and make the land information system accessible on the Internet before the county may expend any grant moneys under this paragraph for any other purpose:

**Section 4.** 16.967 (7m) of the statutes is created to read:

16.967 (7m) Suspension of AID. If the department determines that grants under sub. (7) or retained fees under s. 59.72 (5) (b) have been used for unauthorized purposes, the department shall notify the county or local governmental unit of the determination. The notice shall include a listing of unauthorized expenditures. The

county or local governmental unit shall have not less than 30 days to contest the determination or resolve the unauthorized expenditures. If the unauthorized expenditures are not resolved in a manner acceptable to the department, the department may suspend the eligibility of the county or local governmental unit that made unauthorized expenditures to receive further grants or to retain further fee revenues.

**Section 5.** 59.43 (2) (ag) 1. of the statutes is amended to read:

59.43 (2) (ag) 1. Subject to s. 59.72 (5) and except as provided in par. (L), for recording any instrument entitled to be recorded in the office of the register of deeds, \$11 for the first page and \$2 for each additional page \$25, except that no fee may be collected for recording a change of address that is exempt from a filing fee under s. 185.83 (1) (b) or 193.111 (1) (b).

**Section 6.** 59.43 (2) (e) of the statutes is amended to read:

59.43 (2) (e) Subject to s. 59.72 (5) and except as provided in par. (L), for filing any instrument which is entitled to be filed in the office of register of deeds and for which no other specific fee is specified, \$11 for the first page and \$2 for each additional page \$25.

**Section 7.** 59.43 (2) (i) of the statutes is amended to read:

59.43 (2) (i) For Except as provided in par. (L), for recording certificates and for preparing and mailing documents under s. 867.045 or 867.046, \$25.

**Section 8.** 59.43 (2) (L) of the statutes is created to read:

59.43 **(2)** (L) For recording any instrument under par. (ag), filing any instrument under par. (e), and recording certificates and preparing and mailing documents under par. (i), \$30 if the county uses \$5 of each \$30 fee received under this

- paragraph to redact social security numbers from electronic format records under sub. (4) (c) and s. 59.72 (6), until the earliest of the following:
  - 1. Completion of the redaction of social security numbers from electronic format records under sub. (4) (c) and s. 59.72 (6).
    - 2. Unless the register of deeds has been granted an extension by the department of administration, January 1, 2012. The register of deeds may request the department of administration to extend the time period under this subdivision by one year. The department of administration may grant the extension and may renew the extension for additional one–year periods.
      - 3. January 1, 2015.
  - **SECTION 9.** 59.43 (4) (c) of the statutes is created to read:
  - 59.43 (4) (c) With regard to any instrument filed with or recorded by a register of deeds before April 1, 2006, which the register of deeds transfers to an electronic format as described in this subsection, the register of deeds shall make a reasonable effort to redact social security numbers from the transferred instrument's electronic format.
    - **Section 10.** 59.43 (4) (d) of the statutes is created to read:
  - 59.43 (4) (d) No later than March 31 annually, every register of deeds of a county that has not completed redaction of social security numbers from electronic format records under par. (c) shall submit to the department of administration a report regarding the progress made by the county during the preceding year in redacting social security numbers from electronic format records under par. (c), including a statement of the number of instruments transferred to an electronic format in the preceding year, the number of these instruments from which social security numbers were redacted in the preceding year, the number of instruments

remaining to be reviewed for redaction, and the estimated time needed to review the remaining instruments for redaction.

**Section 11.** 59.72 (2) of the statutes is created to read:

59.72 (2) Duties. (a) If the county has established a county assessor system under s. 70.99 or maintains land records that identify the zoning classification of individual parcels, the board shall post on the Internet land records that identify the zoning classification of individual parcels.

(b) No later than March 31 following the end of any year in which a county that accepts a grant under s. 16.967 (7) or retains any fees under sub. (5) (b), the county land information office shall submit to the department of administration a report describing the expenditures made with the moneys derived from those grants or retained fees.

**Section 12.** 59.72 (3) (b) of the statutes is amended to read:

59.72 (3) (b) Within 2 years after the land information office is established, develop and receive approval for a countywide plan for land records modernization. For any county in which land records are not fully accessible on the Internet, the plan shall include a goal of providing full access to land records on the Internet. The plan shall be submitted for approval to the department of administration under s. 16.967 (3) (e).

**Section 13.** 59.72 (3m) of the statutes is created to read:

59.72 (3m) Land information council. (a) If the board has established a land information office under sub. (3), the board shall create a land information council consisting of not less than 7 members. The council shall consist of the register of deeds, the treasurer, and, if one has been appointed, the real property lister or their

1	designees and the following members appointed by the board for terms prescribed
2	by the board:
3	1. A member of the board.
4	2. A representative of the land information office.
5	3. A realtor employed within the county.
6	4. An emergency medical service provider employed within the county.
7	5. Any other members of the board or public that the board designates.
8	(b) The land information council shall review the priorities, needs, policies, and
9	expenditures of a land information office established by the board under sub. (3) and
10	advise the county on matters affecting the land information office.
11	<b>Section 14.</b> $59.72$ (4) of the statutes is renumbered $59.72$ (4) (a) and amended
12	to read:
13	59.72 (4) (a) A board that has established a land information office under sub.
14	(3) and a land information council under sub. (3m) may apply to the department of
15	administration for a grant for a land information project under s. 16.967 (7).
16	<b>Section 15.</b> 59.72 (4) (b) of the statutes is created to read:
17	59.72 (4) (b) A board shall use any grant received by the county under s. $16.967$
18	(7) (a) and any fees retained under sub. (5) (b) to design, develop, and implement a
19	land information system under s. 16.967 $(7)$ $(a)$ 1. and to make the system accessible
20	on the Internet before using these funds for any other purpose.
21	<b>Section 16.</b> 59.72 (5) (a) of the statutes is amended to read:
22	59.72 (5) (a) Before the 16th day of each month a register of deeds shall submit
23	to the department of administration $\$7\ \$10$ from the fee for recording or filing the
24	$first\ page\ of\ each\ instrument\ that\ is\ recorded\ or\ filed\ under\ s.\ 59.43\ (2)\ (ag)\ 1.\ or\ (e),$
25	less any amount retained by the county under par. (b).

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1	<b>SECTION 17.</b> 59.72 (5) (b) (intro.) of the statutes is amended to read:
2	59.72 (5) (b) (intro.) A Except as provided in s. $16.967$ (7m), a county may retain
3	\$5 $$8$ of the $$7$ $$10$ submitted under par. (a) from the fee for recording or filing the
4	first page of each instrument that is recorded or filed under s. 59.43 (2) (ag) 1. or (e)
5	if all of the following conditions are met:
6	Section 18. 59.72 (5) (b) 1m. of the statutes is created to read:
7	59.72 (5) (b) 1m. The county has created a land information council under sub-
8	(3m).
9	<b>Section 19.</b> 59.72 (5) (b) 3. of the statutes is amended to read:
10	$59.72$ (5) (b) 3. The county uses \$4 $\underline{\$6}$ of each \$5 $\underline{\$8}$ fee retained under this
11	paragraph to develop, implement, and maintain the countywide plan for land records
12	modernization and $\$1$ $\$2$ of each $\$5$ $\$8$ fee retained under this paragraph for the
13	provision of land information on the Internet, including the county's land
14	information records relating to housing.
15	<b>Section 20.</b> 59.72 (6) of the statutes is created to read:
16	59.72 (6) LAND RECORDS MODERNIZATION. With regard to land records
17	modernization as described in sub. (3) (b), if a register of deeds transfers an
18	instrument that was filed or recorded with the register of deeds before April 1, 2006,
19	to an electronic format, as described in s. 59.43 (4), the register of deeds shall make
20	a reasonable effort to redact social security numbers from the transferred
21	instrument's electronic format.
22	Section 21. Initial applicability.
23	$(1)\ \ The\ treatment\ of\ sections\ 59.43\ (2)\ (ag)\ 1.,\ (e),\ and\ (L)\ and\ (4)\ (c)\ and\ 59.72$

(5) (a) and (b) (intro.), 1m., and 3. and (6) of the statutes first applies to an instrument

1	that is presented to a register of deeds for recording or filing, or that is transferred
2	to an electronic format, on the effective date of this subsection.
3	$(2)\ \ The\ treatment\ of\ sections\ 16.967\ (7m)\ and\ 59.72\ (4)\ (b)\ of\ the\ statutes\ first$
4	applies to grants received or fees retained on the effective date of this subsection.
5	Section 22. Effective date.
6	(1) This act takes effect on the 30th day beginning after the day of publication.
7	(END)

(END)