Legislative Analysis



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REGISTER OF DEEDS: CORRECTING ERRORS

House Bill 5293 as introduced Sponsor: Rep. Bill Caul

Committee: Local Government and Urban Policy

First Analysis (10-26-05)

BRIEF SUMMARY: The bill would create two ways in which a legal document recorded in an officer of Register of Deeds could be corrected.

FISCAL IMPACT: The bill should have no state or local fiscal impact.

THE APPARENT PROBLEM:

Sometimes documents pertaining to real property recorded in an office of a county Register of Deeds are later found to have an error or omission. The error may be typographical in nature, or can be more substantive, such as a wrong name or incorrect legal description. Some people make corrections on the original document and then bring the document back to the Register of Deeds to be refiled. This practice opens the door to fraud, especially if the correction made involves legal descriptions or amounts paid for the property, as the person making the correction does not always secure new signatures from the other parties involved in the transaction. Members of the association representing Registers of Deeds have requested that people be allowed either to file affidavits to correct errors or to submit a new document reflecting the changes that reference the original document.

THE CONTENT OF THE BILL:

House Bill 5293 would amend Public Act 123 of 1915, which concerns the recording of real property, to clarify where corrections to documents may be filed.

The bill specifies that an affidavit to correct errors or omissions in a previously recorded document (including errors relating to the proper place of recording and to scriveners' errors or omissions) may be recorded in the office of the Register of Deeds for the county where the property is located. The bill also specifies that the affidavit must meet the requirements of the act as to truthfulness, as well as to accuracy, in providing a legal description of the land. (If one knowingly makes a false statement, then the charge is perjury.) Also under the bill, an affidavit would not be necessary if a new document had been recorded indicating the corrective changes and making reference to the errant recording by *liber* (volume, or book) and page number.

MCL 565.451 et al

ARGUMENTS:

For:

The bill would allow for two methods in correcting errors or omissions on previously filed documents. An affidavit could be filed with the corrections as prescribed by the bill. A similar practice is done to correct plat descriptions. Secondly, a new corrected document could be filed. Since the new document would have to have new notarized signatures, it would be clear that all parties had seen and approved the changes, which will reduce fraudulent changes. In addition, the new document would have to contain a reference to the original document. This will enable the Register of Deeds to post in the indexes that there is an update to that document. The result will be uniformity across all 83 counties in how errors and omissions are corrected, a burden will be lifted off the Register of Deeds and placed on drafters of affidavits to ensure accuracy and truthfulness, and people will find it easier to track transactions of real property if the affidavits and new documents reference the original flawed document.

POSITIONS:

Representatives of the Michigan Association of Registers of Deeds testified in support of the bill. (10-19-05)

Legislative Analyst: Susan Stutzky Fiscal Analyst: Jim Stansell

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.