

EXHIBIT B

ELECTRONIC RECORDING COMMISSION

Draft Minutes – December 8, 2015

Room 207, State Capitol

Little Rock, Arkansas

10:30 a.m.

Members

Rhonda Wharton, Vice Chair

Sharon Blount-Baker

Brenda Deshields, Chair

**Absent*

Mayme Brown, Secretary*

Cheryl Cochran-Wilson

Alicia Nowotny

Andrea Billingsly*

Adam Davis*

Martha Smith*

Ms. Deshields called the meeting to order at 10:35 a.m.

Approval of Minutes [EXHIBIT B]

Ms. Rhonda Wharton made a motion to approve the October 13, 2015, meeting minutes. Ms. Alicia Nowotny seconded the motion, and without objection, the minutes were approved.

Update on the Real Estate Transfer Tax

Mr. Andrew Smith, Assistant Administrator, Miscellaneous Tax, Department of Finance & Administration, gave an update on the real estate transfer tax. He stated as of November 30, 2015, there was an 83% rate increase of filing real estate deeds through the Arkansas Taxpayer Access Point (ATAP) system since 2013. In 2015, \$31 million in real estate tax was collected through ATAP. Mr. Smith also discussed information on a digital stamp and possible implementation into e-recording after further discussion and research.

Discussion of Adding Electronic Recording Commission to the Association of Arkansas Counties Website

Mr. Josh Curtis, Governmental Affairs Director, Association of Arkansas Counties, provided an overview of the implementation of the electronic recording website via the Association of Arkansas Counties. The website could include a mission statement, statutes pertaining to the Commission, a list of the Electronic Recording Commission Members, a map of Arkansas and the counties that e-record, and testimonials stating the advantages of e-recording. The website would be listed as www.arcounties.org/erecording and could be available as early as spring 2016. Ms. Deshields also suggested adding forms such as the Memorandum of Understanding to the website. Mr. Curtis will give a brief visual of the web pages via PowerPoint presentation at the next available meeting.

E-Recording Vendor

Mr. Brent Blakenship, Corporation Service Company (CSC), gave an overview of the national and state laws that governs e-signatures and e-notaries. He explained the method in which his company uses for Level-3 e-recording (ePrepare4®) giving the advantages and disadvantages. He stated a designated submitter acts as the system administrator and electronically prepares, digitally signs, and digitally notarizes documents for Level-3 e-recording. Mr. Blakenship also provided a handout and briefly described the best practices for Recorders, which was adopted by the Property Records Industry Association (PRIA) in North Carolina on May 13, 2015.

Status of Electronic Recording

- A total of 17 Arkansas counties are currently e-recording.
- Ms. Rhonda Whorton, Vice Chair, stated Faulkner County is currently not e-recording but will be considering it during 2016.
- Ms. Sharon Blount-Baker, Crawford County Circuit Clerk, stated Crawford County is now e-recording at 29 percent.
- Ms. Cheryl Cochran-Wilson, Union County Circuit Clerk, stated that Union County is currently e-recording 20 percent of documents.
- Ms. Alicia Nowotny, Johnson County Circuit Clerk, stated that Johnson County is currently not e-recording but are at the beginning stages to incorporate the e-recording system.
- Ms. Brenda Deshields, Chair, stated that Benton County is e-recording at 75-80 percent.

Motion

Ms. Cheryl Cochran-Wilson made a motion to study and review the e-recording forms and make a recommendation at the next scheduled meeting. Ms. Rhonda Whorton, Vice Chair, seconded the motion and without objection, the motion carried.

Other Business

- Representative Sue Scott attended the meeting to gain a better understanding of the Electronic Recording Commission objectives and goals. The Commissioners explained those goals and assured Rep. Scott that no employees were replaced due to implementing the e-recording system. She stated it has actually allowed employees to be utilized in other areas within the workplace.
- Ms. Deshields expressed the need to further meet with the Arkansas Department of Finance (DF&A) to discuss changes that will need to take place in order for Arkansas to begin Level-3 e-recording.
- The Commission reiterated the need for traveling workshops to inform other Arkansas counties of the benefits of using the e-recording system.

Establish Date and Time of Next Meeting

- The next quarterly meeting is scheduled for Tuesday, March 8, 2016, at 2:00 p.m. at the Association of Arkansas Counties Office located at 1415 West Third St., Little Rock, Arkansas.