



SENATE BILL 594: Register of Deeds Updates.

2019-2020 General Assembly

Committee:		Date:	June 25, 2019
Introduced by:	Sens. Daniel, Marcus	Prepared by:	Samantha Yarborough*
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: *Senate Bill 594 would do the following:*

- *Clarify standards and requirements for registration of certain records with the Register of Deeds.*
- *Make changes to the prohibition on filing false liens.*
- *Provide suggested forms for the registration of assumed business names.*
- *Make various conforming changes.*

CURRENT LAW and BILL ANALYSIS:

Section 1: would change the margins required on all instruments, except UCC financing statements, presented for registration on paper at the register of deeds. Currently these instruments must have a blank margin of 3 inches at the top of the first page and at least ¼ inch on the remaining sides of the first page and on all subsequent pages. The bill would change ¼ inch to ½ inch.

Section 2: would create a new section under GS 161-30 for electronically recorded maps or instruments. These maps and instruments would not be required to have the name and address of the person to whom the instrument is to be returned on the face of the document. The register of deeds is not required to return the item, but may do so in accordance with an authorizing agreement.

Section 3: Currently, it is illegal to file a false lien or encumbrance against real or personal property of a public officer, a public employee, or their immediate family member on account of the performance of the public officer of public employee's official duties. Senate Bill 594 would modify the existing criminal statute for filing false liens and encumbrances by doing the following:

- Making it illegal to present for filing or recording a false lien or encumbrance against the real or personal property of an owner or beneficial interest holder.
- Allowing the register of deeds to refuse to record the purported lien or encumbrance if they have a reasonable suspicion that the instrument is materially false, fictitious, or fraudulent.
- Requiring that the party submitting an instrument pay the filing fee.
- Clarifying that the presentation of an instrument that is determined to be materially false, fictitious, or fraudulent shall constitute a violation GS 75-1.1, unfair or deceptive trade practices.

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Senate Bill 594

Page 2

Section 4: would add a list of specified terms that may not be included in an assumed business name, including "corporation," "limited liability company," "limited partnership," and "limited liability partnership."

Section 5: would add 2 new forms, Assumed Business Name Certificate and Amendment of Assumed Business Name Certificate, to the General Statutes and allow a form that complies with these forms to be sufficient to satisfy the requirements for the certificate's content.

EFFECTIVE DATE: Section 3 of this bill would become effective December 1, 2019. The remainder of this bill would become effective October 1, 2019, and apply to instruments, certificates, and amended certificates submitted on or after that date.

**Amy Darden, Staff Attorney, substantially contributed to this summary.*