



SENATE BILL 594: Register of Deeds Updates.

2019-2020 General Assembly

Committee:		Date:	December 11, 2019
Introduced by:		Prepared by:	Kristen L. Harris Staff Attorney
Analysis of:	S.L. 2019-117		

OVERVIEW: *S.L. 2019-117 does the following:*

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

The section of the act pertaining to the filing of a false lien became effective December 1, 2019. The remainder of the act became effective October 1, 2019, and applies to instruments, certificates, and amended certificates submitted on or after that date.

CURRENT LAW and BILL ANALYSIS:

Section 1: changes the margins required on all instruments, except UCC financing statements, presented for registration on paper at the register of deeds. Prior to the enactment of the bill, these instruments were required to 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 act changed ¼ inch to ½ inch.

Section 2: creates a new section under the statute pertaining to the modernization of land records for electronically recorded maps or instruments. These maps and instruments are not 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: Prior to the enactment of the bill, it was 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 or public employee's official duties. The act modified the 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 will constitute a violation GS 75-1.1, unfair or deceptive trade practices.

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Section 4: adds 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: adds 2 new forms, Assumed Business Name Certificate and Amendment of Assumed Business Name Certificate, to the General Statutes and allows 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 act became effective December 1, 2019. The remainder of this act became effective October 1, 2019, and applies to instruments, certificates, and amended certificates submitted on or after that date.