RALPH DLG. TORRES Governor



ARNOLD I. PALACIOS Lieutenant Governor

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS OFFICE OF THE GOVERNOR

19 JAN 2021

The Honorable Jude U. Hofschneider Senate President, The Senate Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

The Honorable Edmund S. Villagomez Speaker, House of Representatives Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

Dear Mr. President and Mr. Speaker:

This is to inform you that I have signed into law Senate Bill No. 21-69 entitled, "To establish the Commonwealth Recorder's Act of 2020; and for other purposes", which was passed by the Senate and the House of Representatives of the Twenty-First Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 21-39**. Copies bearing my signature are forwarded for your reference.



cc: Lt. Governor; Press Secretary; Attorney General; CNMI Judiciary; Commonwealth Recorder's Office; Law Revision Commission; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review

Juan A. Sablan Memorial Building • Capitol Hill, Saipan Caller Box 10007 • Saipan, MP 96950 • 670.237.2200 • governor.gov.mp @GovernorCNMI **f 0**



THE SENATE Twenty-First Northern Marianas Commonwealth Legislature P. O. Box 500129 Saipan, MP 96950

January 5, 2021

The Honorable Ralph DLG. Torres Governor Commonwealth of the Northern Mariana Islands Capital Hill Saipan, MP 96950

Dear Governor Torres:

I have the honor of transmitting herewith for your action Senate Bill No. 21-69, entitled: "To establish the Commonwealth Recorder's Act of 2020; and for other purposes.," which was passed by the Senate and the House of Representatives of the Twenty-First Northern Marianas Commonwealth Legislature.

Sincerely,

Chanele C. Borja Acting Senate Clerk

Attachments



THE SENATE

TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SENATE BILL NO. 21-69

AN ACT

To establish the Commonwealth Recorder's Act of 2020; and for other purposes.

SENATE ACTION

Offered by Senator(s): Victor B. Hocog

Date: August 14, 2020

Referred to: Committee on Judiciary, Government, Law and Federal Relations

Standing Committee Report No.: None

Final Reading: December 18, 2020

HOUSE ACTION

Referred to: None Standing Committee Report No.: None First and Final Reading: December 29, 2020

CHANELE C. BORJA ACTING SENATE CLERK

Public Law No. 21-39



THE SENATE TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

FOURTH REGULAR SESSION, 2020

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S. B. NO. 21-69

AN ACT

To establish the Commonwealth Recorder's Act of 2020; and for other purposes.

BE IT ENACTED BY THE TWENTY-FIRST NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. <u>Short Title</u>. This Act shall he known as the Commonwealth Recorder's Act of 2020.

Section 2. <u>Findings and Purposes</u>. This Act authorizes the Commonwealth Recorder's Office to electronically record and file instruments. Current recordation statutes do not authorize electronic recording and only allow for manual, in-person recordation. As technology develops, electronic communications make it possible for old transactions to take new form.

8 This Act aligns the recordation process with current technological developments by 9 equating electronic documents and signatures with original paper documents and manual 10 signatures. This permits acceptance and maintenance of electronic real estate transaction 11 documents and electronic recordation of all documents, no matter the original form. 12 Electronic storage and recordation will increase the efficiency of the recordation process 13 by decreasing the time and resources needed to index, store, and retrieve records and 14 promote easier public access to records.

This Act authorizes the real estate and commercial transactions, including those under Division 9 of the NMI Uniform Commercial Code, to be recorded in electronic form, storage of electronic records, and the setup of search and retrieval systems for land

Public Law No. 21-39

SENATE BILL NO. 21-69

records. In addition to real estate documents, this Act authorizes the transition to electronic recordation of marriage records. The current statute requires married persons to send a cory of the marriage certificate to the Superior Court Clerk of Court to be recorded in the marriage register with the Commonwealth Recorder. This Act allows the Commonwealth Recorder to accept electronic records of marriage certificates.

The purpose of this Act is to allow for the transitioning to electronic recordation to provide the public with a quick recordation process and access to records. To accomplish such task, this Act requires the CNMI Judiciary to promulgate rules to establish duties and responsibilities of the Commonwealth Recorder's Office in conformance with this Act.

Section 3. <u>Repealer and Re-enactment</u>. Title 1, Division 3, Chapter 7 of the
 Commonwealth Code of the Northern Mariana Islands is hereby repealed and re-enacted to
 read as follows:

13 "Chapter 7. Commonwealth Recorder's Office.

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§ 3701. Commonwealth Recorder's Office.

\$ 3702. Indexes: Title or Possession of Land; Content Summary; Marriage
Records.

- § 3703. Recordation of Documents; Fees.
- 18 § 3704. Acknowledgement as Conditioning for Recording.
- 19 § 3705. Effect of Failure to Record.
- 20 § 3706. Land Commission Transfer of Documents to Recorder's Office.

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§ 3701. Commonwealth Recorder's Office.

(a) There is established within the CNMI Judiciary a Commonwealth Recorder's
Office. The Commonwealth Recorder. under the general supervision of the Chief Justice,
shall oversee the duties and responsibilities of the Commonwealth Recorder's Office.

(b) The Judiciary shall promulgate rules establishing duties and responsibilities of
 the Commonwealth Recorder's Office and procedures of recordation, including electronic
 recordation.

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§ 3702. Indexes: Title or Possession of Land; Content Summary; Marriage Records.

(a) The Commonwealth Recorder's Office shall maintain indexes for land transfers, mortgages, leases, judgments, and decrees affecting real property interests. and other indexes as required by court rules.

(b) The indexes shall include a summary description of the property, names of the parties, and other information as required by court rules.

(c) The Commonwealth Recorder's Office shall maintain an index for marriage records recorded with the Clerk of Court.

§ 3703. Recordation of Documents; Fees. Upon payment or any applicable costs and service fees, any person may record documents with the Commonwealth Recorder's Office. The Commonwealth Recorder's Office shall provide public access to and make possible the reproduction or all such records as permitted by law or rule.

§ 3704. Acknowledgment as Condition for Recording. All documents that must
be recorded, including transfers, leases exceeding one year, and encumbrances affecting
real property, must be acknowledged before a notary public or other office authorized by
law to take acknowledgments and administer oaths. The lack of an acknowledgment shall
not, in and of itself, affect the validity of an instrument as between the parties thereto.

\$ 3705. Effect of Failure to Record. No transfer of or encumbrance upon title to
real estate or any interest therein, other than a lease for a term not exceeding one year, shall
be valid:

(a) Against any subsequent purchaser or mortgagee of the same real estate or
interest, or any part thereof, in good faith for a valuable consideration without notice of
such transfer or encumbrance, or against any person claiming under them, if the transfer to
the subsequent purchaser or mortgagee is first duly recorded; nor

(b) As against any judgment affecting the title unless the transfer or encumbrance is
duly recorded prior to the record of notice of action in which the judgment is rendered.

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§ 3706. Land Commission Transfer of Documents to Recorder's Office.

The Land Commission shall promptly record all certificates of title at the

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SENATE BILL NO. 21-69

Commonwealth Recorder's Office."

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Section 4. <u>Severability</u>. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 5. <u>Savings Clause</u>. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation, or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

Section 6. <u>Effective Date</u>. This Act shall take effect upon its approval by the Governor or becoming law without such approval.

CERTIFIED BY: ATTESTED BY: VICTOR B. HOCOG SIXTO K. IGIS PRESIDENT OF THE SENATE SENATE LEGISLATIVE SECRETARY 202 this day of DLG. TORRE Governor Commonwealth of the Northern Mariana Islands Page 4