COUNTY OF EL DORADO

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May 1, 2012

Assemblyman Mike Feuer
California State Assembly
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0042

The County Recorders Association of California (CRAC) strongly opposes your Assembly Bill 2299 as proposed to be amended. The El Dorado County Board of Supervisors stands with CRAC in their opposition to this bill.

Assembly Bill 2299 proposes authorizing the Board of Supervisors of a county to establish a program that requires the names of public safety officials to be redacted from any property record of principal residence that is disclosed to the public by the county. As a matter of clarification, underlined all recorded documents are public records and therefore this bill, if enacted, would affect all documents in the Official Records of El Dorado County.

First and foremost, it is important to understand the purpose of recording documents and the significance of this process in proving ownership of private property. California government is structured to protect private property ownership by using a system where copies of all documents that affect property are recorded into a single public repository in each county known as the "Official Records". A document that is recorded is preserved in the Official Records permanently. After a document is recorded, it is indexed and is open to public inspection to provide constructive notice to subsequent purchasers and lenders. Title companies, lenders and members of the public research the Official Records to examine the series of transactions that have recorded over time. The sequence in which the series of documents have recorded is known as "the chain of title". If it can be shown that throughout history, the legal owners properly transferred possession of property, there is no break in the chain of title and ownership can be established. Currently, there are no provisions to **"unrecord"** or remove documents that are in the Official Records. If a document was redacted from the Index, or from the Official Records, it would no longer provide constructive notice that a transaction had occurred, **creating a break in the chain of title and causing the entire system of recording land transactions to be defective**. There would be no way for the public to definitively prove ownership to private property.

The decision to purchase a home is often one of the biggest financial decisions that a person will make in their lifetime. This decision is based on certainty of title. In other words, a person would only purchase land that they knew for *certain* would be owned exclusively by them when the transaction was completed. If this bill passes as written, there would be no way for purchasers or lenders to know for certain the ownership of the private property. This bill would undermine the entire system of recording land transactions and would create a system that was fundamentally flawed.

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In addition, to the alarming impact this would have on the crucial purpose of recording documents, it would also be financially devastating. <u>In this time of economic instability, the cost associated with purchasing or developing a system that would be able to redact specific names for precise time periods would be nearly impossible to calculate.</u> The administrative, programming, staffing and legal fees would be crippling on our already dwindling resources.

Thank you for considering El Dorado County's concerns regarding this legislation. Should you or your staff have any questions about the potential impacts of AB 2299 on El Dorado County, please contact William E. Schultz, Recorder-Clerk-Registrar at (530) 621-7480.

Sincerely,
County of El Dorado

John R. Knight, Chair
Board of Supervisors
County of El Dorado