

HB 323 -- THE REAL PROPERTY FRAUD PREVENTION ACT

SPONSOR: Amato

This bill establishes "The Real Property Fraud Prevention Act".

The bill requires the recorder of deeds of each county to provide notice to each property owner of a parcel of real property that a general warranty deed or quitclaim deed that affects the ownership of the parcel has been submitted for recording.

The recorder must delay the recording of the deed for at least five working days from the date of the deed's receipt to provide time for notification of the property owner.

The recorder must notify each property owner by phone, text, fax, or email, if that information is known about the property owner. The recorder must also send the notification by first class mail to the address of record of the property owner of the parcel informing them that the deed affects the ownership interest in the property.

If the owner of the property provides written confirmation that the deed is legitimate, the delay need no longer be observed if it has not fully expired.

If the recorder is notified that the deed is fraudulent by each property owner prior to the expiration of the delay period, the recorder must delay recording the deed for at least two additional business days to provide time for the property owner to seek an order from a court to prohibit the recording of the fraudulent deed.

The recorder must not delay the recording of a general warranty or quitclaim deed if it was submitted by a real estate broker with a valid license, or if it was reviewed by a title company that is duly licensed and has issued title insurance to guaranty the validity of the deed.

The recorder of deeds is authorized to reject and return a general warranty or quitclaim deed that is deemed by the recorder to be defective, as defined in the bill.