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Mr. Ewan said that he would be willing to do a survey of all of the counties. He also explained that creating a new class of documents called "declarations" might help in this area but that the problem with establishing a rate for such a category is that none of the counties presently track the rates since these documents are recorded as deeds. Chairman Burstein said that the nature of this subject is not the kind of thing that the Commission, at the moment, has the capacity to work through. He explained that the immediate objective is to get the report out and get the comments so that the remaining issues can be the subjects of further discussion. Additional information obtained as a result of further discussions can be placed before the Legislature.

Mr. Wagner again recommended that the Commission continue work on this document, with Treasury, and that some of the provisions he mentioned with regard to the three types of recording be incorporated. Chairman Burstein explained that the timing of the release of the document could be important, and that an earlier release, rather than a later one, might be more beneficial. Mr. Cannel said that if the draft needs more specification in the language or the comments, making those changes would not take much time. Chairman Burstein asked Mr. Wagner and Mr. Noonan to give Staff the names of Treasury people to contact. The Commission approved another month's work on the project including creation of a category for the larger documents.

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Chairman Burstein pointed out that in section 1(a) the second sentence contains the language "repair includes...but does not include...and it does not include...." He recommended that this language be tightened up to read "does not include the cost of storage nor towing the vehicle...."

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In section 2(a) Professor Garland asked whether a lien on anything which constitutes contents of a vehicle has priority over any other interest in contents. Mr. Cannel explained that a third party should be able to claim the contents, but not the party against whom there was a lien. Staff is to clarify, either in the comment or the text, the manner in which a lien on the vehicle impacts the contents. Professor Bell said that such clarification should appear in the text. He also stated that in the comment, the language "secured party or lessor...that course was found impractical" is inaccurate as the Commission did not find it impractical, but rather had decided that no consultation should

be required. The Commission did not determine that they could not consult if they wanted to, and the comment should reflect this. Chairman Burstein agreed that the wording was misleading and directed Staff to rewrite the comment. Professor Bell suggested the inclusion of the language "our assumption is that the cost of repair will rarely exceed \$2000." Judith Ungar suggested removing the two preceding sentences and beginning the last sentence with the word "Where." Professor Bell said that in Section 2(d), the words "enforceable against holder of security interest" should be followed by "indicated on the title document."

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Commissioner Gagliardi had two reactions. First, it does not offend the law for school districts to reimburse employees for the fee. In certain circumstances it is written in the contracts that teachers will be reimbursed for the fee. Second, there has been considerable discussion about this statute, but not this part of it. The statute begins by saying "teachers or service workers" are to be fingerprinted and does not cover volunteers. He mentioned an Attorney General's opinion that states that volunteers cannot be fingerprinted. If the Commission takes this project, it should also revise this volunteer issue, which would be well received by school districts. Then the language pertaining to the payment of the fee could be revised to clarify that reimbursement was not prohibited.

The Commission agreed to draft legislation that will address both aspects, requiring volunteers to be fingerprinted, and clarifying that nothing in this statute shall prohibit the reimbursement of an applicant by a school board.

# Weights and Measures

The Attorney General's office called Mr. Cannel to say that the Commission's attempted revision of Title 51 is raising difficult problems involving the powers of county and local officials. Neither Mr. Cannel nor Chairman Burstein (who noted that the substantive provisions in the title needed revision) has discovered what the problems are.

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## Miscellaneous

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Professor Bell asked that in Section 3(b) the extra "to" in the fourth line be removed and that the comment note the relatively modest cost involved. In section 4, Professor Garland asked that the last paragraph of the comment be modified to remove the term "an habitual driver." Staff will rewrite the entire paragraph.

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Paul S. Natanson explained that he wants to be a substitute school teacher and that he was told when he applied that his criminal background had to be investigated and that he would have to pay for the investigation. Mr. Natanson said that the law requires a person who wants to work for a couple of days, or even only one day in a year to pay \$100 in fees for the background check. He feels that the law should not specify who should have to pay, but rather should say that anyone who wants to pay this fee can pay it. Some districts pay for the applications, but he thinks that is illegal.

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# Weights and Measures

The Attorney General's office called Mr. Cannel to say that the Commission's attempted revision of Title 51 is raising difficult problems involving the powers of county and local officials. Neither Mr. Cannel nor Chairman Burstein (who noted that the substantive provisions in the title needed revision) has discovered what the problems are.

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## Miscellaneous

## MINUTES OF COMMISSION MEETING October 16, 2003

Present at the meeting of the New Jersey Law Revision Commission held at 153 Halsey Street, 7<sup>th</sup> Floor, Newark, New Jersey, were Commissioners Albert Burstein, Vito A. Gagliardi, Jr. and Peter Buchsbaum. Professor Bernard Bell of Rutgers Law School, Newark, attended on behalf of Commissioner Stuart Deutsch, Professor William Garland of Seton Hall Law School attended on behalf of Commissioner Patrick Hobbs and Grace Bertone, of McElroy, Deutsch & Mulvaney attended on behalf of Commissioner Rayman Solomon.

Also present were David Ewan, Consultant to the New Jersey Land Title Association, Paul S. Natanson, Leonard A. Metzger, and Daniel W. Noonan, Supervisor, and Albin Wagner, Chief, respectively, of the Bureau of Records Management, Division of Archives and Records Management (DARM).

#### Minutes

The minutes of the September 11, 2003 meeting of the Commission were accepted as submitted with one correction on the last page: the word "make" is to be deleted.

## Title Recordation

Chairman Burstein noted that a draft final report has been prepared incorporating the changes made at last month's meeting and is ready to be filed, but Professor Garland said that he had several additional corrections to be made. In Section 1-1 the word "section" should be replaced with "chapter." In the last paragraph of the comment to that section, the reference to "subsection (k)" should be to "subsection (l)." In section 1-5, on page 7, coversheets should be referenced in the title. On page 10, while it is clear that the goal is a unitary index, the comment should remind people that older indexes are still going to be valid and needed after enactment of the revised statute since data in those indexes will not be added to the new index. In section 1-11, on page 12, the last sentence will be removed, and the section will begin with the words "party...authorized representative, or licensed title insurance producer." In section 1-12(b), the proposed language ends with the phrase "or later recorded or unrecorded document" while the final paragraph of the comment speaks of "absent actual knowledge." Notice and actual knowledge are not the same thing. The Commission agreed that the comment will be changed to reflect statutory language. In section 2-5, on page 17, the caption does not reflect the context and will be modified, perhaps by adding "allocation of proceeds." Subsection (d) should begin with the language "an amount equal to." In section 3-3(a)(2) on page 24, the reference to subsection (b)(12) should be to (b)(9).

Alvin Wagner, Chief of the Bureau of Records Management in DARM thanked David Ewan for sending drafts to him for review. He also commended the Commission

for its work on this project, noting that such a revision has been long overdue and that the current draft works toward the same goals that DARM has been working toward. The primary goal is to authorize the use of electronic filings. Another goal is to have a standard fee, doing away fees based on the number of pages.

Mr. Wagner said that some aspects of the current revision needed more work. The current version does not address those counties still creating bound books and still using a paper based system. Allowances need to be made for counties not yet imaging records. Also, the current draft does not differentiate between those counties that are performing imaging and those looking to receive files as images. The three phases of development in recorded documents are: paper-based systems, imaging and electronic filing. Mr. Wagner also said that while the Commission had discussed keeping the revenue stream the same as with the current system, the most recent draft may not accomplish that goal because of documents like Master Deeds that may run 200-300 pages. A larger survey of the counties should be done to see how many pages certain documents really contain.

Mr. Wagner also raised concerns about how transactions could be verified if book and page numbers are done away with, and recommended that the Commission specify exactly what the document identification number is if that is to replace the book and page numbers for verification. He said that the document identification number should be addressed specifically with Treasury to confirm exactly how it will work. Mr. Wagner is not sure about superseding UETA; he had discussed with the Attorney General's office the fact that there is a provision of federal law that could be superseded by state law, but that he is not sure if that is covered here. Mr. Cannel explained that the draft language superseding UETA was designed to comply with federal law. Mr. Wagner said that DAG John Turrey had questions about this issue of superseding legislation.

Professor Bell asked what the basis is for Treasury's concern about maintaining levels of state revenue. Mr. Wagner said that it is a matter of whether the estimated number of pages in documents forming the basis for the proposed fees maintains the same level of revenue. He mentioned, for example, exceptional documents like Master Deeds, suggesting that taking care of these exceptional documents would probably address the issue. A thorough survey of county clerks would help.

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