AN ACT

CONCERNING ELECTRONIC DOCUMENTS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Part 4 of article 10 of title 30, Colorado Revised Statutes, is amended by the addition of a new section to read:

30-10-405.5. Electronic filings. The county clerk and recorder may accept by electronic filing deeds and all other documents authorized by law to be recorded in his or her office. As used in this part 4, unless the context otherwise requires, "electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities. To the extent the provisions of this part 4 differ from the requirements of the federal "Electronic Signatures in Global and National Commerce Act", 15 U.S.C. sec. 7001 et seq., the provisions of this part 4 are intended to modify, limit, or supersede the requirements of such act, as provided for in section 7002 (a) of such act.

SECTION 2. 30-10-406 (1) and (2), Colorado Revised Statutes, are amended to read:

30-10-406. County clerk and recorder - duties - filing requirements. (1) The county clerk shall be ex officio recorder of deeds and shall have custody of and safely keep and preserve all the documents received for recording or filing in his or her office. As used in this part 4, unless the context otherwise requires, "document" includes electronic filings. During the hours the office is open for business, the clerk and recorder shall also record or cause to be recorded in print, or in a plain and distinct handwriting, or electronically, in suitable books or electronic records to be provided and kept in the clerk and recorder's office, all
documents authorized by law to be recorded in his or her office and shall perform all other duties required by law.

(2) Upon recording any document to which a documentary fee applies, the clerk and recorder shall forward a clear, complete, and accurate copy of such document to the office of the county assessor. THE CLERK AND RECORDER MAY FORWARD THE COPY ELECTRONICALLY TO SAID OFFICE.

SECTION 3. 30-10-408 (3), Colorado Revised Statutes, is amended to read:

30-10-408. Grantor and grantee indices to be kept by county clerk and recorder. (3) (a) In counties with the capability, the county clerk and recorder may substitute printouts, microfiches, aperture cards, or other legible photographic or computerized ELECTRONIC processes for the books and indices required by subsections (1) and (2) of this section. The security and public inspection provisions of section 30-10-407 shall apply to all such printouts, microfiches, aperture cards, or other photographic or computerized ELECTRONIC records. Both the grantor and grantee indices may be combined in one alphabetical listing with proper coding to indicate grantor and grantee, with both the grantor and grantee appearing in proper alphabetical order.

(b) A general index of releases may be maintained on printouts, microfiches, or aperture cards, by other legible photographic or computerized ELECTRONIC process, or in a separate book of releases containing a space to enter new index numbers of releases on a numerical listing of the original recording information of the document being released.

(c) Records kept under the provisions of this subsection (3) may substitute reception or index numbers for volume, film, or page numbers, and any computer ELECTRONIC records may contain indices for as many years as the county clerk and recorder may deem useful for public inspection.

SECTION 4. 30-10-409 (2) and (3), Colorado Revised Statutes, are amended, and the said 30-10-409 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

30-10-409. Reception book - form - contents - acceptance for recording. (2) When any document has been accepted by the clerk and recorder for recording or filing and the proper fee has been paid, such document shall be deemed to be recorded for all purposes. AS SOON AS PRACTICAL AFTER A DOCUMENT HAS BEEN RECEIVED, the clerk and recorder shall immediately endorse upon such document a certificate, INFORMATION, WHICH MAY BE IN ELECTRONIC FORM, noting the day, hour, and minute of its reception ACCEPTANCE FOR RECORDING, the index or reception number, the volume, film or page where recorded, if such are used, and the fee received for recording the same and shall immediately make an entry of the same in the reception book, under the appropriate heading, with the amount paid as fee for recording the same. A DOCUMENT SHALL BE DEEMED ACCEPTED AS OF THE DATE AND TIME OF ITS ENDORSEMENT, THE CLERK AND RECORDER’S ENDORSEMENT MAY BE DONE ELECTRONICALLY. WHEN SUCH ENDORSEMENT IS MADE ELECTRONICALLY, THE ENDORSEMENT SHALL BE IMMEDIATELY PERCEPTIBLE AND REPRODUCIBLE. ANY DOCUMENT THAT IS RECEIVED ELECTRONICALLY SHALL BE ACCEPTED AND ENDORSED
BY THE END OF THE DAY THAT THE DOCUMENT IS RECEIVED IF THE DOCUMENT IS RECEIVED BY 3 P.M. ON A BUSINESS DAY OR BY THE END OF THE NEXT BUSINESS DAY IF THE DOCUMENT IS NOT RECEIVED ON A BUSINESS DAY OR IT IS RECEIVED AFTER 3 P.M. ON A BUSINESS DAY. After such document has been ENDORSED AND processed for recording, the clerk and recorder, without additional fee or charge, shall deliver it by regular mail, ELECTRONIC DELIVERY, or personal delivery to the person authorized to receive the same, writing the name of the person to whom it is delivered in an appropriate column IN THE RECEPTION BOOK.

(3) In counties with the capability, the county clerk and recorder may substitute printouts, microfiches, aperture cards, or other legible photographic or computerized ELECTRONIC processes for the reception book required by this section; except that proper audit controls of cash receipts shall be maintained in compliance with governmental audit procedures.

(5) A CLERK AND RECORDER WHO DECIDES TO ACCEPT ELECTRONIC FILINGS SHALL ESTABLISH PROCEDURES FOR SUCH ELECTRONIC FILINGS. SUCH PROCEDURES SHALL NOT BE ESTABLISHED UNTIL THE CLERK AND RECORDER HAS CONSIDERED THE RECOMMENDATIONS MADE BY THE CLERK AND RECORDER ELECTRONIC FILING TECHNOLOGY FUND ADVISORY PANEL ISSUED PURSUANT TO SECTION 30-10-423 (4). NO ELECTRONIC FILINGS SHALL BE ACCEPTED BY THE CLERK AND RECORDER UNTIL THE CLERK AND RECORDER HAS ESTABLISHED AND MADE PUBLICLY AVAILABLE THE PROCEDURES FOR ELECTRONIC FILINGS. THE CLERK AND RECORDER MAY DESIGNATE THE METHODS BY WHICH HE OR SHE WILL ACCEPT PAYMENT OF FEES FOR ELECTRONIC FILINGS. NOTHING IN THIS ARTICLE SHALL BE INTERPRETED TO REQUIRE ANY CLERK AND RECORDER TO ACCEPT ELECTRONIC FILINGS. NOTHING IN THIS ARTICLE SHALL ABRIDGE THE POWER OF ANY CLERK AND RECORDER TO ACCEPT OR REJECT ELECTRONIC FILINGS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 38-35-202, C.R.S.

SECTION 5. Part 4 of article 10 of title 30, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

30-10-421. Filing surcharge - repeal. (1) BEGINNING SEPTEMBER 1, 2002, THE COUNTY CLERK AND RECORDER SHALL COLLECT A SURCHARGE OF ONE DOLLAR FOR EACH DOCUMENT RECEIVED FOR RECORDING OR FILING IN HIS OR HER OFFICE. THE SURCHARGE SHALL BE IN ADDITION TO ANY OTHER FEES PERMITTED BY STATUTE.

(2) THE COUNTY CLERK AND RECORDER SHALL TRANSMIT FIFTY CENTS OUT OF EACH DOLLAR COLLECTED TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO THE CLERK AND RECORDER ELECTRONIC FILING TECHNOLOGY FUND CREATED IN SECTION 30-10-422.

(3) THE COUNTY CLERK AND RECORDER MAY RETAIN THE REMAINING FIFTY CENTS OUT OF EACH DOLLAR COLLECTED TO BE UTILIZED TO DEFRAY THE COSTS OF IMPLEMENTING AND PROVIDING ELECTRONIC FILING AND RECORDING CAPABILITIES. IF THE CLERK AND RECORDER ELECTS NOT TO RETAIN ANY PORTION OF THE FIFTY CENTS, HE OR SHE SHALL TRANSMIT SUCH UNUSED PORTION TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO THE CLERK AND RECORDER ELECTRONIC FILING TECHNOLOGY FUND. IF THE CLERK AND RECORDER RETAINS ANY PORTION OF THE FIFTY CENTS BUT DOES NOT USE SUCH MONEYS TO DEFRAY THE COSTS OF
IMPLEMENTING AND PROVIDING ELECTRONIC FILING AND RECORDING CAPABILITIES
BY JANUARY 1, 2006, HE OR SHE SHALL IMMEDIATELY TRANSMIT THE UNUSED
MONEYS TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO THE FUND.

(4) COUNTY GOVERNMENTS SHALL BE EXEMPT FROM ALL FEES AUTHORIZED TO BE
COLLECTED UNDER THE PROVISIONS OF THIS SECTION IF THE COUNTY OR ANY AGENCY
THEREOF IS THE GRANTOR OR GRANTEE OF THE DOCUMENT BEING RECORDED OR IF A
DELEGATE CHILD SUPPORT ENFORCEMENT UNIT FILES OR RECORDS DOCUMENTS FOR
THE PURPOSE OF COLLECTING CHILD SUPPORT, CHILD SUPPORT ARREARS,
MAINTENANCE, MAINTENANCE WHEN COMBINED WITH CHILD SUPPORT, RETROACTIVE
SUPPORT, OR CHILD SUPPORT DEBT.

(5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2005.

30-10-422. Clerk and recorder electronic filing technology fund. (1) THERE
IS HEREBY CREATED A FUND TO BE KNOWN AS THE CLERK AND RECORDER ELECTRONIC
FILING TECHNOLOGY FUND, REFERRED TO IN THIS SECTION AS THE "FUND". THE FUND
SHALL BE ADMINISTERED BY THE CLERK AND RECORDER ELECTRONIC FILING
TECHNOLOGY FUND ADVISORY PANEL CREATED IN SECTION 30-10-423 AND SHALL
CONSIST OF ALL MONEYS RECEIVED PURSUANT TO SECTION 30-10-421.

(2) THE MONEYS IN THE FUND SHALL BE USED BY THE CLERK AND RECORDER
ELECTRONIC FILING TECHNOLOGY FUND ADVISORY PANEL TO MAKE GRANTS TO
COUNTIES THAT APPLY FOR SUCH GRANTS. IT IS THE INTENT OF THE GENERAL
ASSEMBLY THAT THE GRANTS SHALL BE GIVEN TO COUNTIES THAT OTHERWISE LACK
SUFFICIENT RESOURCES TO PURCHASE THE TECHNOLOGY NECESSARY FOR THE CLERK
AND RECORDERS TO ACCEPT ELECTRONIC FILINGS.

(3) THE MONEYS IN THE FUND SHALL NOT BE DEPOSITED IN OR TRANSFERRED TO
THE GENERAL FUND OF THIS STATE OR ANY OTHER FUND. ANY INTEREST EARNED ON
THE INVESTMENT OR DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO AND
USED FOR THE SAME PURPOSE AS OTHER MONEYS IN SAID FUND.

30-10-423. Clerk and recorder electronic filing technology fund advisory
panel - creation - powers - repeal. (1) THERE IS HEREBY CREATED THE CLERK AND
RECORDER ELECTRONIC FILING TECHNOLOGY FUND ADVISORY PANEL IN THE
DEPARTMENT OF STATE, REFERRED TO IN THIS SECTION AS THE "PANEL".

(2) (a) THE PANEL SHALL CONSIST OF FIVE MEMBERS APPOINTED BY THE
SECRETARY OF STATE AS FOLLOWS:

(I) TWO MEMBERS SHALL BE CLERK AND RECORDERS.

(II) ONE MEMBER SHALL BE A COUNTY COMMISSIONER.

(III) ONE MEMBER SHALL BE A PERSON WITH EXPERTISE IN INFORMATION
TECHNOLOGY FROM THE DEPARTMENT OF STATE OR THE OFFICE OF INNOVATION AND
TECHNOLOGY.

(IV) ONE MEMBER SHALL BE A REPRESENTATIVE OF THE CLERK AND RECORDER'S
E-RECORDING TASK FORCE.
(b) THE TERMS FOR ALL MEMBERS SHALL BE FOUR YEARS.

(3) THE PANEL SHALL MEET AT LEAST TWICE EACH YEAR AND SHALL KEEP A RECORD OF ITS PROCEEDINGS. MEMBERS OF THE PANEL SHALL SERVE WITHOUT COMPENSATION BUT SHALL BE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

(4) THE PANEL SHALL RECOMMEND PROCEDURES TO THE CLERKS AND RECORDERS FOR ELECTRONIC FILINGS AND RECORDINGS. SUCH RECOMMENDATIONS SHALL BE MADE NO LATER THAN MARCH 1, 2003.

(5) THE PANEL SHALL HAVE THE POWER TO REVIEW GRANT APPLICATIONS AND APPROVE GRANTS TO COUNTIES FUNDED BY THE CLERK AND RECORDER ELECTRONIC FILING TECHNOLOGY FUND AS PROVIDED FOR IN SECTION 30-10-422. THE PANEL SHALL ALSO HAVE THE POWER TO EXERCISE ANY OTHER POWERS OR PERFORM ANY OTHER DUTIES THAT ARE CONSISTENT WITH THE RULES PROMULGATED BY THE SECRETARY OF STATE.

(6) THE MONEYS IN THE CLERK AND RECORDER ELECTRONIC FILING TECHNOLOGY FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE PANEL FOR THE SOLE PURPOSE OF PROVIDING GRANTS TO COUNTIES THAT OTHERWISE LACK SUFFICIENT RESOURCES TO PURCHASE THE TECHNOLOGY NECESSARY FOR THE CLERK AND RECORDERS TO ACCEPT ELECTRONIC FILINGS; EXCEPT THAT AN AMOUNT EQUAL TO THE DIRECT AND INDIRECT COSTS INCURRED BY THE PANEL IN IMPLEMENTING THE PROVISIONS OF THIS SECTION AND RELATED RULES PROMULGATED BY THE SECRETARY OF STATE MAY BE USED BY THE PANEL TO COVER SUCH COSTS.

(7) THE SECRETARY OF STATE SHALL PROMULGATE RULES NECESSARY TO ESTABLISH A GRANT APPLICATION PROCESS AND ANY OTHER RULES NECESSARY TO IMPLEMENT PROVISIONS OF THIS SECTION.

(8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2006.

SECTION 6. 12-55-102, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

12-55-102. Definitions. As used in this part 1, unless the context otherwise requires:

(1.1) "Electronically" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(1.2) "Electronic record" means a record containing information that is created, generated, sent, communicated, received, or stored by electronic means.

(1.3) "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record.
SECTION 7. Part 1 of article 55 of title 12, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:


(2) THE SECRETARY OF STATE SHALL PROMULGATE RULES NECESSARY TO ESTABLISH STANDARDS, PROCEDURES, PRACTICES, FORMS, AND RECORDS RELATING TO A NOTARY'S ELECTRONIC SIGNATURE.

(3) TO THE EXTENT THE PROVISIONS OF THIS PART 1 DIFFER FROM THE REQUIREMENTS OF THE FEDERAL "ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT", 15 U.S.C. SEC. 7001 ET SEQ., THE PROVISIONS OF THIS PART 1 ARE INTENDED TO MODIFY, LIMIT, OR SUPERCEDE THE REQUIREMENTS OF SUCH ACT, AS PROVIDED FOR IN SECTION 7002 (a) OF SUCH ACT.

SECTION 8. 12-55-110 (1) (a), Colorado Revised Statutes, is amended to read:

12-55-110. Powers and limitations. (1) Every notary public is empowered to:

(a) Take acknowledgments and other unsworn statements, proof of execution, and attest documents AND ELECTRONIC RECORDS;

SECTION 9. 12-55-110.5 (1) (a) and (1) (b), Colorado Revised Statutes, are amended to read:

12-55-110.5. Accommodation of physical limitations. (1) A notary public may certify as to the subscription or signature of an individual when it appears that such individual has a physical limitation that restricts such individual's ability to sign by writing or making a mark, pursuant to the following:

(a) The name of an individual may be signed, OR ATTACHED ELECTRONICALLY IN THE CASE OF AN ELECTRONIC RECORD, by another individual other than the notary public at the direction and in the presence of the individual whose name is to be signed and in the presence of the notary public.

(b) The words "Signature written by" OR "SIGNATURE ATTACHED BY" IN THE CASE OF AN ELECTRONIC RECORD, "(name of individual directed to sign OR DIRECTED TO ATTACH) at the direction and in the presence of (name as signed) on whose behalf the signature was written" OR "ATTACHED ELECTRONICALLY" IN THE CASE OF AN ELECTRONIC RECORD, or words of substantially similar effect shall appear under or near the signature.

SECTION 10. 12-55-111 (2), Colorado Revised Statutes, is amended BY THE
12-55-111. Journal. (2) For each notarial act, a notary's journal may contain the following information:

(e.5) A CERTIFICATE OF AUTHENTICATION OF EACH NOTARIZED ELECTRONIC SIGNATURE BY THE PROVIDER OF THE ELECTRONIC SIGNATURE OR EACH PERSON WHOSE OATH, AFFIRMATION, ACKNOWLEDGMENT, AFFIDAVIT, DECLARATION, DEPOSITION, PROTEST, VERIFICATION, OR OTHER STATEMENT IS TAKEN;

SECTION 11. 12-55-111 (3) (a), Colorado Revised Statutes, is amended to read:

12-55-111. Journal. (3) (a) Subsection (1) of this section shall not apply to any document OR ELECTRONIC RECORD where the original or a copy of such document OR ELECTRONIC RECORD contains the information otherwise required to be entered in the notary's journal and such original or copy OR ELECTRONIC RECORD is retained by the notary's firm or employer in the regular course of business.

SECTION 12. 12-55-112 (1), Colorado Revised Statutes, is amended, and the said 12-55-112 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

12-55-112. Official signature - rubber stamp seal - seal embosser - notary's electronic signature. (1) At the time of notarization, a notary public shall sign such notary's official signature on every notary certificate OR IN THE CASE OF AN ELECTRONIC RECORD, A NOTARY PUBLIC SHALL AFFIX HIS OR HER ELECTRONIC SIGNATURE.

(4.5) IN THE CASE OF NOTARIZATION OF AN ELECTRONIC RECORD, THE APPLICATION OF A NOTARY’S ELECTRONIC SIGNATURE IN LIEU OF A HandWRITTEN Signature AND RUBBER STAMP SEAL OR SEAL EMBOSSER IS SUFFICIENT.

SECTION 13. 12-55-113, Colorado Revised Statutes, is amended to read:

12-55-113. Lost journal or official seal. Every notary public shall send or have delivered notice to the secretary of state within thirty days after the notary loses or misplaces such notary's journal of notarial acts, or official seal, OR THE NOTARY BECOMES AWARE THAT ANY OTHER PERSON HAS ELECTRONIC CONTROL OF HIS OR HER ELECTRONIC SIGNATURE. The fee payable to the secretary of state for recording notice of a lost journal, or seal, OR THAT ANOTHER PERSON HAS ELECTRONIC CONTROL OF A NOTARY’S ELECTRONIC SIGNATURE shall be determined and collected pursuant to section 24-21-104 (3), C.R.S.

SECTION 14. 12-55-118, Colorado Revised Statutes, is amended to read:

12-55-118. Wrongful possession of journal or seal. Any person who unlawfully possesses and uses a notary's journal, an official seal, A NOTARY'S ELECTRONIC SIGNATURE, or any papers, or copies, OR ELECTRONIC RECORDS relating to notarial acts is guilty of a class 3 misdemeanor.

SECTION 15. 12-55-119, Colorado Revised Statutes, is amended to read:
12-55-119. Affirmation procedures - form. (1) If an affirmation is to be administered by the notary public in writing, the person taking the affirmation shall sign his name thereto, and the notary public shall write or print under the text of the affirmation the fact that the document has been subscribed and affirmed, or sworn to before me in the county of __________, state of Colorado, this _____ day of _____, 20__. __ (official signature, seal, and commission expiration date of notary) __.

(2) If an affirmation is to be administered by the notary public in an electronic record, the person taking the affirmation shall attach his or her electronic signature thereto. Within the affirmation, the notary shall add the fact that the document has been subscribed and affirmed, or sworn to before me in the county of __________, state of Colorado, this _____ day of _____, 20__. __ (NOTARY’S ELECTRONIC SIGNATURE) __.

SECTION 16. 12-55-204 (2) (b), Colorado Revised Statutes, is amended to read:

12-55-204. Authentication of authority of officer. (2) If the notarial act is performed by a person authorized by the laws or regulations of a foreign country to perform the act, there is sufficient proof of the authority of that person to act if:

(b) Either the official seal of the person performing the notarial act is affixed to the document, or, in the case of an electronic record, such information that is required in lieu of a notary seal by the laws of the place granting notarial authority to the person performing the notarial act is attached to or logically associated with the document; or

SECTION 17. 12-55-211, Colorado Revised Statutes, is amended to read:

12-55-211. Seals. Whenever any law, rule, or regulation requires the use of a seal, it shall be sufficient that a rubber stamp with a facsimile affixed thereon of the seal required to be used is placed or stamped upon the document requiring the seal with indelible ink, or, in the case of an electronic record, attachment of such information that is required in lieu of a notary seal by the laws of the place granting notarial authority to the person performing the notarial act shall be sufficient in lieu of any other form of notary seal.

SECTION 18. Appropriation. In addition to any other appropriation, there is hereby appropriated to the department of state, for the fiscal year beginning July 1, 2002, the sum of five hundred twenty-two thousand seven hundred fourteen dollars ($522,714) and 0.1 FTE, or so much thereof as may be necessary, for the implementation of this act. Of this amount, five hundred twenty thousand eight hundred thirty-four dollars ($520,834) shall be from the clerk and recorder electronic filing technology fund created in section 30-10-422, Colorado Revised Statutes, and one thousand eight hundred eighty dollars ($1,880) shall be from the notary administration cash fund created in section 12-55-102.5, Colorado Revised Statutes.
SECTION 19. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 30, 2002