Electronic Real Estate Recording Task Force
Minutes: 13 February 2003
As recorded by Erin Hultgren

Present: (Members) Secretary of State Mary Kiffmeyer, Jeff Carlson, Gail Miller, Paul
McGinley, Mike Cunniff, Chuck Hoyum, , Dennis Unger, Larry Dalien, Don Goedken,
Chuck Parsons, John Richards (Guests) Bert Black, Scott Loomer, Carmen Mulder,
Lowell Haagenson, Luci Botzek, Joel Beckman, Paul Backes, Bill Mori, John Jones, ,
John Engerholm, Erin Hultgren, Scott Taschler, Kevin Kalkbrenner.

1. Call to order

Secretary Kiffmeyer called the meeting to order at 9.45.

2. Approval of minutes

The minutes of the 23 January 2003 meeting were approved as distributed.

3. Project coordinator update

Schema v.1.1 Additional Synchronization Work for Phase II Documents

John Engerholm presented Pam Trombo's status report regarding the next steps to review
the schema. In conjunction with the legal subcommittee, the participants identified the
elements that Minnesota law required. These are now indicated on the standard. They
also decided that now any type of signature will be allowed, in order to conform to the
PRIA and MISMO standards calling for W3C standards for signatures.

Roseau County Proposal Review

Larry Dalien reviewed the status of the Roseau County proposal. The sub-committee
came up with a list of nine questions that need to be sent to Roseau. After the questions
are answered, the committee hopes to have a recommendation at the 13 March meeting.

Bert Black asked if the Roseau project would be "built from scratch". Dalien answered
that Roseau, as a pilot county would not be starting totally from scratch. The vendor they
are working with has some software that Roseau can use as a starting point.

Paul Backes pointed out that there is potential that the software developed for Roseau
could become state owned.   This could provide additional value to the other counties, not
included in the Pilot. The Task Force needs to understand Roseau's side fully.

Lowell Haagenson of West Central Indexing stated that he is open to negotiating State
ownership of the software. They are open to the payment of royalties or state ownership.
They would just want a non-compete agreement extending to transfers outside Minnesota
so that other states also cannot own the software by receiving it from a Minnesota county.

Greg Hubinger stated that negotiations on the contracts with Renville and Hennepin counties are proceeding well. All parties are working hard to find common ground. He hopes to present the contracts at the next Task Force meeting. Some outstanding issues are regarding the ownership of developed software, how it is developed and how it is licensed.

Joel Beckman expressed concern about transitioning code to other counties. Most license agreements Dakota County has do not allow for an easy transition to the state. Breaking out code to be shared would be difficult and time consuming.

Secretary Kiffmeyer stated that the state is interested only in new development that could allow other counties to benefit from the pilot. The goal of the task force and the pilot is to help all Minnesota counties to implement e-recording.

Dennis Unger said that this is not necessarily the goal of the state. Bert Black replied that, in this context, the task force is the state. Since the task force uses state funding, the state has an interest.

Joel Beckman asked what would happen if a county agrees to forego state funding; would they be able to keep their intellectual property. Bert Black said that this would be an option to be looked at. The Secretary stated that everyone should want to help their fellow counties. Joel Beckman said that most counties will not want to do what they (Dakota) are doing. Dakota County has an old legacy system on a mainframe environment. The real benefit will be provided in the process and statistical information.

Mike Cunniff suggested that counties should be able to license their software to other counties. The county has found that by buying a license to software, rather than purchasing the intellectual property, they have been able to cut some costs. Mike asks questioned why the state wants to do all of the licensing.

Secretary Kiffmeyer said that the greatest challenge is when you are acting on the part of others, in this case the other counties and the general public. The issue is among the state and all counties. The state wants to do what is best for everyone, keeping in mind what is best for the counties individually. Whatever technology is able to be used by others should be shared.

Bert Black added that other counties may be able to re-use software developed in the pilots with some minor tweaking. The state is trying to own what they paid for. However, the state is not asking to own vendor software.

Bill Mori encouraged the group to pay attention to things that may be valuable to other counties. Focus on transferable values we are gaining from the pilots and identify these on the contract. The cost is in the design, not the code. Design and architecture is where the value is.

John Richards offered to provide templates that will help define re-usable design and architecture concepts. This also includes contributor agreements that will help MN preserve the rights to share architecture and design. John will email the templates to the Task Force.

Jeff Carlson asked about MISMO's transmission protocol standard. Is it a licensing issue with MISMO? John Richards said it would be covered by the MISMO license, without charge.

Mike Cunniff said that Hennepin would make available, via license, their recording system, free of charge.

Gail Miller says that she sees two pieces coming out of the pilot projects:
- Measurement criteria; this would belong to the task force.
- Points in the contract that outline tasks to be done; these also belong to the task force and state.

Mike Cunniff added that there are two other issues relating to the contract and policy relating to the funding. What if funding gets cut? What if issues come up that are not anticipated?

Secretary Kiffmeyer points out that the first time something is done is not necessarily the same as future tries. We should learn from it. Phase 2 may be less costly because some costs would have already been invested.

Funding Estimate

Gail Miller updated the group on the budget estimate meeting. She reviewed the method that was used to develop the initial estimate, which is described in the handout that was distributed and will be e-mailed to all members. Costs in the estimate include all aspects of the project into consideration, including integration. Counties each need to review and update the numbers in the estimate. The estimate will be discussed again at the 13 March meeting.

Bert Black notes that the estimate does not include the potential Roseau County project.

Standards for Style Sheets

Erin Hultgren presented the status of the Standards for Style Sheets sub-committee meeting. It was proposed that since we are in the pilot phase, multiple implementation methods could be tested. So, two counties will accept only Satisfactions and COR's that utilized the standard style sheets and two counties will accept multiple style sheet formats that are agreed upon by the county and the trusted submitter. Hennepin County will accept only standard style sheets and Renville County will accept multiple style sheets. Dakota and Lyons Counties need to decide which of them will use only standard style sheets and which will accept multiple style sheets.

Chuck Parson encouraged all counties to accept all style sheets. This should be the preference. Secretary Kiffmeyer said that this would be a better test of the standards.

Jeff Carlson said that everyone felt confident that XSL standards would not go beyond the Satisfaction and COR. Accepting non-standard style sheets will be done with other documents such as the mortgage.

Secretary Kiffmeyer said we need a balanced test. We need experience with non-standard XSL.

Mike Cunniff moved that pilot counties should be able to choose which method they use (standard or non-standard style sheets).

Larry Dalien seconded the motion.

Chuck Parsons opposed the motion.

Dennis Unger says that Hennepin County would like to accept only standard style sheets because it would eliminate the process of reviewing each electronically submitted document. It would provide content uniformity. Chuck Parsons said that the trusted submitter agreement should take care of this worry.

Secretary Kiffmeyer says that the question is whether to mandate that each county accept multiple style sheets, or whether to let them choose whether to accept only standard, or multiple style sheets.

Paul McGinley suggests that all counties could be required to take at least 10% non-standard documents.

Larry Dalien asks, "Where do the style sheets reside". Bill Mori replies that there are two ways to store style sheets. Style sheets could be held in a central repository and each XML document could link to it, or style sheets can be attached to the XML document.

Larry Dalien asks, "Could someone send the wrong style sheet with a document?" Paul Backes replied that XSL does not allow for this. XHTML does allow for this. Joel Beckman pointed out that business rules in electronic reporting prevent the possibility of document switching more than the paper process does today.

John Jones asks if counties have the authority to reject documents based on style sheets if they otherwise meet the XML requirements. Mike Cunniff responded that if it is registered property, then yes.

Bert Black says that because we are in the pilot phase, we have a lot more flexibility to make restrictions. Chuck Parson says that having Hennepin County accept a small percentage of non-standard style sheets would be a good idea. Joel Beckman cares only about the schema, not about the wording around it (style sheet). Dennis Unger points out that the title community cares about wording as well as data. Larry Dalien says that the Uniform Conveyancing Blanks were created to take care of the wording.

Jeff Carlson asked if a person wanted to get creative with documentation, would their style sheet need to be submitted for approval first? Bert Black answers "apparently,yes."

Secretary Kiffmeyer says that this pilot is not meant to test standard documents only. The goal is not necessarily to make it more convenient for recorders. Chuck points out the difficulty of implementing style sheet standards for documents submitted from out of state. John Jones asks how much responsibility do counties want to take in dictating style sheet standards. Also, how much does the state want to do to maintain the standards.

Secretary Kiffmeyer says that the PKI wrap should take care of document tampering, etc.

Secretary Kiffmeyer motions whether to leave it up to the counties, or require all counties to accept multiple types of style sheets. The motion to leave it up to the counties prevails.

4. 2003 Legislative Strategy Status

Bert Black noted that a meeting of interested lobbyists was held January 31, 2003 and that the consensus was to delay bill introduction until after the Governor's budget is released. Another meeting will be held the morning of February 21, 2003.

5. Reports from Subcommittees

None

6. Additional Comments

Charles Hoyum notified the Task Force about the National Conference of Commissioners on Uniform State Laws meeting about Uniform Real Property Electronic Recording Act, next weekend in Dallas. Charles agreed to give input to the Task force regarding this meeting.

Jeff Carlson is going to the National E-recording meeting.

Secretary Kiffmeyer asks Bill Mori to share his experience in Wisconsin at the 13 March Task Force meeting, with supporting testimony from the Racine County Recorder.

The meeting adjourned at 12:27.