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Committees

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Vice-chair Roegner and ranking member Smith, thank you for the opportunity to testify on SB 331. This legislation seeks to empower county recorders by amending sections of the Revised Code. It tackles two major topics that county recorders face: the last known address of the non-judicial liens problem and the Recording memorandum of trust.

Last Known Address Non-Judicial Liens

The first provision of this legislation builds on the work of the general assembly in Senate Bill 94, enacted earlier this year, for addressing the "same-name" debtor problem. Several Ohioans are caused unnecessary stress when they are notified that they are lien debtors simply because they share the same name as the real lien debtor. In Senate Bill 94, the general assembly added a requirement that judgment creditors include the last known address of the debtor in an attempt to decrease the number of people affected by the "same-name" problem. SB 331 adds this same requirement to provide the last known address of a lien debtor when filing a lien relating to unpaid child support, workers' compensation, unemployment compensation, personal property taxes, sales taxes, income taxes, or severance taxes, with minimal additional work for the lien creditors.

Recording Memorandum of Trust

Under current Ohio law, the recording of a memorandum of trust is discretionary when title to real property is held by the trustee of a disclosed trust. This presents practical problems for real property lawyers when a title search reveals that title was vested in the trustee of a trust in the chain of title, and there is no memorandum of trust

or other qualifying instrument of record, particularly when the conveyance in question is from a distant time period in the chain of title.

Senate Bill 331 amends R.C. §5301.255 to make the recording of a memorandum of trust or other qualifying instrument mandatory when title to real property is held by the trustee of a disclosed trust.

The addition of subsection (F) to R.C. §5301.071 creates a four-year curative period for conveyances from a trust or a trustee of a trust when a memorandum of trust or other qualifying instrument has not been recorded.

SB 331 is a commonsense solution that will help Ohioans avoid unnecessary hardship and make title insurance more effective affordable. Thank you members of the committee for your consideration of SB 331. I am happy to answer any questions from the committee.