



SPONSOR: Reps. Roy & Spence &
Gilligan and Sen. Sharp;
Reps. DiLiberto, VanSant

HOUSE OF REPRESENTATIVES

138TH GENERAL ASSEMBLY

FILE NO. 589

16 1996

HOUSE BILL NO. _____

AN ACT TO AMEND TITLE 8, 9 AND 29 OF THE DELAWARE CODE RELATING TO ELIMINATING THE REQUIREMENT FOR THE RECORDATION OF, AND ENHANCING PUBLIC ACCESS TO, CORPORATION DOCUMENTS IN THE OFFICES OF THE RECORDERS OF DEEDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Section 101, Title 8, Delaware Code, by striking from
2 subsection (a) thereof the words and punctuation “, filed and recorded”, and substituting
3 therefor the words “and filed”.

4 Section 2. Amend Section 103 of Title 8, Delaware Code, by striking paragraph
5 (c)(4) thereof in its entirety and by inserting a new paragraph (c)(4) to read as follows:

6 “(4) The Secretary of State, acting as agent for the recorders of each of
7 the counties, shall collect and deposit in a separate account established exclusively
8 for that purpose a county assessment fee with respect to each filed instrument, and
9 shall thereafter weekly remit from such account to the recorder of each of the said
10 counties the amount or amounts of such fees as provided for in paragraph (c)(5) of
11 this section or as elsewhere provided by law. Said fees shall be for the purposes of
12 defraying certain costs incurred by the counties in merging the information and
13 images of such filed documents with the document information systems of each of
14 the recorder’s offices in the counties, and in retrieving, maintaining and displaying
15 such information and images in the offices of the recorders and at remote locations
16 in each of such counties. In consideration for its acting as the agent for the

17 recorders with respect to the collection and payment of the county assessment
18 fees, the Secretary of State shall retain and pay over to the general fund of the
19 State an administrative charge of one percent of the total fees collected.”

20 Section 3. Amend Section 103, Title 8, Delaware Code, by striking paragraph

21 (c)(5) thereof in its entirety and by inserting a new paragraph in its place to read:

22 “(5) The assessment fee to the counties shall be \$24 for each one-page
23 instrument filed with the Secretary of State in accordance with this section and \$9
24 for each additional page for instruments with more than one page. The recorder’s
25 office to receive the assessment fee shall be the recorder’s office in the county in
26 which the corporation’s registered office in this State is, or is to be, located, except
27 that an assessment fee shall not be charged for either a certificate of dissolution
28 qualifying for treatment under § 391(a)(5)(b) of this title, or a document filed in
29 accordance with subchapter XV of this title.”

30 Section 4. Amend Section 103, Title 8, Delaware Code, by striking paragraph

31 (c)(6) thereof in its entirety and inserting a new paragraph in its place to read:

32 “(6) The Secretary of State shall enter such information from each
33 instrument as he deems appropriate into the Delaware Corporation Information
34 System or any system which is a successor thereto in the office of the Secretary of
35 State.”

36 Section 5. Amend Section 103, Title 8, Delaware Code, by striking subsection (e)

37 thereof in its entirety and by inserting a new subsection in its place to read:

38 “(e) If another section of this chapter specifically prescribes a manner of
39 executing, acknowledging or filing a specified instrument or a time when such
40 instrument shall become effective which differs from the corresponding provisions
41 of this section, then such other section shall govern.”

42 Section 6. Amend Section 103, Title 8, Delaware Code, by striking from

43 subsection (f) thereof the words and punctuation “, filed and recorded” wherever the same
44 appears in said subsection, and substituting therefore the words “and filed”.

45 Section 7. Amend Section 105, Title 8, Delaware Code, by striking said section in
46 its entirety and by inserting a new section in its place to read:

47 “§ 105. Certificate of incorporation and other certificates; evidence.

48 A copy of a certificate of incorporation, or a restated certificate of
49 incorporation, or of any other certificate which has been filed in the office of the
50 Secretary of State as required by any provision of this title shall, when duly
51 certified by the Secretary of State, be received in all courts, public offices, and
52 official bodies as prima facia evidence of:

53 (1) Due execution, acknowledgment and filing of the instrument;

54 (2) Observance and performance of all acts and conditions
55 necessary to have been observed and performed precedent to the
56 instrument becoming effective; and of

57 (3) Any other facts required or permitted by law to be stated in the
58 instrument.”

59 Section 8. Amend Section 133, Title 8, of the Delaware Code, by deleting the
60 following words and punctuation from said section:

61 “, and a certified copy shall be recorded in the office of the recorder for the
62 county in which the new office is located”.

63 Section 9. Amend Section 134, Title 8, Delaware Code, by deleting said section in
64 its entirety and substituting therefor the following:

65 “§ 134. Change of address or name of registered agent.

66 (a) A registered agent may change the address of the registered
67 office of the corporation or corporations for which he is a registered agent
68 to another address in this State by filing with the Secretary of State a
69 certificate, executed and acknowledged by such registered agent, setting
70 forth the names of all the corporations represented by such registered
71 agent, and the address at which such registered agent has maintained the
72 registered office for each of such corporations, and further certifying to the
73 new address to which each such registered office will be changed on a

74 given day, and at which new address such registered agent will thereafter
75 maintain the registered office for each of the corporations recited in the
76 certificate. Thereafter, or until further change of address, as authorized by
77 law, the registered office in this State of each of the corporations recited in
78 the certificate shall be located at the new address of the registered agent
79 thereof as given in the certificate.

80 (b) In the event of a change of name of any person or corporation
81 acting as registered agent in this State, such registered agent shall file with
82 the Secretary of State a certificate, executed and acknowledged by such
83 registered agent, setting forth the new name of such registered agent, the
84 name of such registered agent before it was changed, the names of all the
85 corporations represented by such registered agent and the address at which
86 such registered agent has maintained the registered office for each of such
87 corporations.”

88 Section 10. Amend Section 135, Title 8, Delaware Code, by deleting said section
89 in its entirety and substituting therefor the following:

90 “§ 135. Resignation of registered agent coupled with appointment of
91 successor.

92 The registered agent of one or more corporations may resign and appoint a
93 successor registered agent by filing a certificate with the Secretary of State, stating
94 the name and address of the successor agent, in accordance with paragraph (2) of
95 subsection (a) of § 102 of this title. There shall be attached to such certificate a
96 statement of each affected corporation ratifying and approving such change of
97 registered agent. Each such statement shall be executed and acknowledged in
98 accordance with § 103 of this title. Upon such filing, the successor registered
99 agent shall become the registered agent of such corporations as have ratified and
100 approved such substitution and the successor registered agent’s address, as stated
101 in such certificate, shall become the address of each such corporation’s registered
102 office in this State. The Secretary of State shall then issue a certificate that the

45 Section 7. Amend Section 105, Title 8, Delaware Code, by striking said section in
46 its entirety and by inserting a new section in its place to read:

47 “§ 105. Certificate of incorporation and other certificates; evidence.

48 A copy of a certificate of incorporation, or a restated certificate of
49 incorporation, or of any other certificate which has been filed in the office of the
50 Secretary of State as required by any provision of this title shall, when duly
51 certified by the Secretary of State, be received in all courts, public offices, and
52 official bodies as prima facia evidence of:

53 (1) Due execution, acknowledgment and filing of the instrument;

54 (2) Observance and performance of all acts and conditions
55 necessary to have been observed and performed precedent to the
56 instrument becoming effective; and of

57 (3) Any other facts required or permitted by law to be stated in the
58 instrument.”

59 Section 8. Amend Section 133, Title 8, of the Delaware Code, by deleting the
60 following words and punctuation from said section:

61 “, and a certified copy shall be recorded in the office of the recorder for the
62 county in which the new office is located”.

63 Section 9. Amend Section 134, Title 8, Delaware Code, by deleting said section in
64 its entirety and substituting therefor the following:

65 “§ 134. Change of address or name of registered agent.

66 (a) A registered agent may change the address of the registered
67 office of the corporation or corporations for which he is a registered agent
68 to another address in this State by filing with the Secretary of State a
69 certificate, executed and acknowledged by such registered agent, setting
70 forth the names of all the corporations represented by such registered
71 agent, and the address at which such registered agent has maintained the
72 registered office for each of such corporations, and further certifying to the
73 new address to which each such registered office will be changed on a

74 given day, and at which new address such registered agent will thereafter
75 maintain the registered office for each of the corporations recited in the
76 certificate. Thereafter, or until further change of address, as authorized by
77 law, the registered office in this State of each of the corporations recited in
78 the certificate shall be located at the new address of the registered agent
79 thereof as given in the certificate.

80 (b) In the event of a change of name of any person or corporation
81 acting as registered agent in this State, such registered agent shall file with
82 the Secretary of State a certificate, executed and acknowledged by such
83 registered agent, setting forth the new name of such registered agent, the
84 name of such registered agent before it was changed, the names of all the
85 corporations represented by such registered agent and the address at which
86 such registered agent has maintained the registered office for each of such
87 corporations.”

88 Section 10. Amend Section 135, Title 8, Delaware Code, by deleting said section
89 in its entirety and substituting therefor the following:

90 “§ 135. Resignation of registered agent coupled with appointment of
91 successor.

92 The registered agent of one or more corporations may resign and appoint a
93 successor registered agent by filing a certificate with the Secretary of State, stating
94 the name and address of the successor agent, in accordance with paragraph (2) of
95 subsection (a) of § 102 of this title. There shall be attached to such certificate a
96 statement of each affected corporation ratifying and approving such change of
97 registered agent. Each such statement shall be executed and acknowledged in
98 accordance with § 103 of this title. Upon such filing, the successor registered
99 agent shall become the registered agent of such corporations as have ratified and
100 approved such substitution and the successor registered agent’s address, as stated
101 in such certificate, shall become the address of each such corporation’s registered
102 office in this State. The Secretary of State shall then issue a certificate that the

103 successor registered agent has become the registered agent of the corporations so
104 ratifying and approving such change, and setting out the names of such
105 corporations.”

106 Section 11. Amend Section 136, Title 8, Delaware Code, by striking said section
107 in its entirety and substituting therefor the following:

108 “§ 136. Resignation of registered agent not coupled with appointment of
109 successor.

110 (a) The registered agent of one or more corporations may resign
111 without appointing a successor by filing a certificate of resignation with the
112 Secretary of State; but such resignation shall not become effective until 30
113 days after the certificate is filed. The certificate shall be executed and
114 acknowledged by the registered agent, shall contain a statement that
115 written notice of resignation was given to each affected corporation at least
116 30 days prior to the filing of the certificate by mailing or delivering such
117 notice to the corporation at its address last known to the registered agent,
118 and shall set forth the date of such notice.

119 (b) After receipt of the notice of the resignation of its registered
120 agent, provided for in subsection (a) of this section, the corporation for
121 which such registered agent was acting shall obtain and designate a new
122 registered agent to take the place of the registered agent so resigning in the
123 same manner as provided in § 133 of this title for change of registered
124 agent. If such corporation, being a corporation of this State, fails to obtain
125 and designate a new registered agent as aforesaid prior to the expiration of
126 the period of 30 days after the filing by the registered agent of the
127 certificate of resignation, the Secretary of State shall declare the charter of
128 such corporation forfeited. If such corporation, being a foreign
129 corporation, fails to obtain and designate a new registered agent as
130 aforesaid prior to the expiration of the period of 30 days after the filing by

131 the registered agent of the certificate of resignation, the Secretary of State
132 shall forfeit its authority to do business in this State.

133 (c) After the resignation of the registered agent shall have become
134 effective as provided in this section and if no new registered agent shall
135 have been obtained and designated in the time and manner aforesaid,
136 service of legal process against the corporation for which the resigned
137 registered agent had been acting shall thereafter be upon the Secretary of
138 State in accordance with § 321 of this title.”

139 Section 12. Amend Section 151, Title 8, Delaware Code, by deleting the words
140 and punctuation “, recorded” in the first sentence of subsection (g) thereof, and also by
141 striking the words and punctuation “filed, and recorded” wherever the same appears in the
142 remaining sentences of said subsection and substituting therefor the words “and filed”.

143 Section 13. Amend Section 241, Title 8, Delaware Code, by striking from
144 subsection (b) thereof the words and punctuation “, filed and recorded” and substituting
145 therefor the words “and filed”.

146 Section 14. Amend Section 242, Title 8, Delaware Code, by striking from
147 paragraph (b)(1) of said section the words and punctuation “, filed and recorded” and
148 substituting therefor the words “and filed”.

149 Section 15. Amend Section 242, Title 8, Delaware Code, by deleting from
150 paragraph (b)(3) thereof the word “recorded” wherever it appears, and by adding the
151 word “and” before the word “filed” where “filed” first appears, and following the word
152 and punctuation “filed,” where it next appears.

153 Section 16. Amend Section 245, Title 8, Delaware Code, by striking from
154 subsection (d) thereof the words and punctuation “, filed and recorded” and substituting
155 therefor the words” and filed”.

156 Section 17. Amend Section 251, Title 8, Delaware Code, by striking from
157 subsection (c) thereof the words and punctuation “It shall be recorded in the office of the
158 Recorder of Deeds of the county of this State in which the registered office of the
159 surviving constituent corporation is located; or if any of the constituent corporations shall

160 have been created by a public act of the General Assembly, then the agreement shall be
161 recorded in the county where such corporation had its principal place of business in this
162 State.”

163 • Section 18. Amend Section 251, Title 8, Delaware Code, by striking from
164 subsection (c) thereof the words “and recording”.

165 Section 19. Amend Section 252, Title 8, Delaware Code, by striking from
166 subsection (c) thereof the words “and recorded” and “and recording”.

167 Section 20. Amend Section 253, Title 8, Delaware Code, by striking from
168 subsection (a) thereof the words and punctuation “A certified copy of the certificate shall
169 be recorded in the office of the recorder of the county in this State in which the registered
170 office of each constituent corporation which is a corporation of this State is located.”

171 Section 21. Amend Section 254, Title 8, Delaware Code, by striking from
172 subsection (d) thereof the words “and recorded” and “and recording” wherever they
173 appear

174 Section 22. Amend Section 255, Title 8, Delaware Code, by striking from
175 subsection (c) thereof the words and punctuation “It shall be recorded in the office of the
176 recorder of the county in this State in which the registered office of each such constituent
177 corporation is located, or if any of the constituent corporations shall have been specially
178 created by public act of the General Assembly, then the agreement shall be recorded in the
179 county where such corporation had its principal place of business in this State.”

180 Section 23. Amend Section 256, Title 8, Delaware Code, by striking from
181 subsection (c) thereof the words “and recorded”.

182 Section 24. Amend Section 257, Title 8, Delaware Code, by striking from
183 subsection (c) thereof the words “and recorded”.

184 Section 25. Amend Section 263, Title 8, Delaware Code, by striking from
185 subsection (c) thereof the words “and recorded” and the words “and recording”.

186 Section 26. Amend Section 264, Title 8, Delaware Code, by striking from
187 subsection (c) thereof the words “and recorded” and the words “and recording”.

188 Section 27. Amend Section 303, Title 8, Delaware Code, by striking from
189 subsection (c) thereof the words “and recorded”.

190 Section 28. Amend Section 311, Title 8, Delaware Code, by striking subsection
191 (b) thereof in its entirety and by substituting therefor a new subsection to read:

192 “(b) Upon the filing in the office of the Secretary of State of the certificate
193 of revocation of dissolution, the Secretary of State, upon being satisfied that the
194 requirements of this section have been complied with, shall issue a certificate that
195 the dissolution has been revoked. Upon the issuance of such certificate by the
196 Secretary of the State, the revocation of the dissolution shall become effective and
197 the corporation may again carry on its business.”

198 Section 29. Amend Section 312, Title 8, Delaware Code, by striking the words
199 and number “subsection (c) of § 136” wherever they appear in said section and
200 substituting therefor “subsection (b) of § 136”.

201 Section 30. Amend Section 312, Title 8, Delaware Code, by striking from
202 subsection (c) thereof the words and punctuation “filing and recording” and substituting
203 therefor the words “and filing”.

204 Section 31. Amend Section 313, Title 8, Delaware Code, by striking subsection
205 (b) thereof in its entirety and by inserting anew subsection in its place to read:

206 “(b) Upon the filing by the corporation of the proof of classification as
207 required by subsection (a) of this section, and the filing of the certificate of renewal
208 and revival, and payment of the required filing fees, the Secretary of State shall
209 issue a certificate that the corporation’s certificate of incorporation or charter has
210 been renewed and revived as of the date of the certificate and the corporation shall
211 be renewed and revived with the same force and effect as it provided in subsection
212 (e) of § 312 of this title for other corporations.”

213 Section 32. Amend Section 344, Title 8, Delaware Code, by striking the words
214 and punctuation “, filing and recording” and substituting therefor the words “and filing”.

215 Section 33. Amend Section 388, Title 8, Delaware Code, by striking subsection
216 (b) thereof in its entirety and by inserting a new subsection in its place to read:

217 “(b) Any non-United States corporation may become domesticated in this
218 State by filing with the Secretary of State:

219 (1) A certificate of domestication which shall be executed in
220 accordance with subsection (g) of this section, and filed in accordance with
221 § 103 of this title; and

222 (2) A certificate of corporation, which shall be executed,
223 acknowledged, and filed in accordance with § 103 of this title.”

224 Section 34. Amend Section 391, Title 8, Delaware Code, by striking paragraph
225 (a)(7) thereof in its entirety and inserting a new paragraph in its place to read:

226 “(7) For receiving and filing and/or indexing any certificate, affidavit,
227 agreement or any other paper provided for by this chapter, for which no different
228 fee is specifically prescribed, a fee of \$50 in each case shall be paid to the
229 Secretary of State. The fee in the case of a certificate of incorporation filed as
230 required by § 102 of this title shall be \$25. For entering information from each
231 instrument into the Delaware Corporation Information System in accordance with
232 § 103(c)(6) the fee shall be \$20 except the fee for entering such information for a
233 certificate of incorporation filed as required by § 102 of this title shall be \$10.”

234 Section 35. Amend Section 391, Title 8, Delaware Code, by striking paragraph
235 (a)(10) thereof in its entirety and inserting a new paragraph in its place to read:

236 “(10) For certifying copies of any paper on file provided by this chapter, a
237 fee of \$20 shall be paid for each copy certified. In addition, a fee of \$1 per page
238 shall be paid in each instance where the Secretary of State provides the copies of
239 the document to be certified.”

240 Section 36. Strike Section 392, Title 8, Delaware Code, in its entirety.

241 Section 37. Amend Section 512, Title 8, Delaware Code, by striking the last
242 sentence in said section.

243 Section 38. Amend Section 9605, Title 9, Delaware Code, by striking paragraph
244 (a) thereof in its entirety and substituting in lieu thereof a new paragraph (a) to read as
245 follows:

246 “(a) Each recorder shall record within a reasonable time, deeds,
247 indentures, letters of attorney relating to land, mortgages, releases of lien of
248 mortgages, leases, releases, assignments, conditional sales and leases of railroad
249 and railway equipment and rolling stock, oaths of office, plots and descriptions,
250 appointments of deputy registers of wills, certificates of commissioners and
251 agreements of owners bounding and marking lands, petitions and orders for
252 sheriffs’ deeds, all instruments authorized or directed by law to be recorded or
253 lodged by the Recorder of Deeds, including certificates of discharge regularly
254 issued by the United States Army, Air Force, Navy, Coast Guard, or Marine
255 Corps. The recorder shall forthwith make a proper note of the same in the indices.
256 No fee shall be charged for recording any certificate of discharge in this
257 subsection.”

258 Section 39. Amend Section 9607, Title 9, Delaware Code, by striking paragraph
259 (b) thereof in its entirety and substituting in lieu thereof a new paragraph (b) to read as
260 follows:

261 “(b) The recorder of each county shall collect for each document or paper
262 recorded or filed, a surcharge of \$5 for the support of the Housing Department
263 Fund, and an additional \$1 fee for the support of the Local Government Records
264 Management Improvement Fund. The surcharge of \$5 and the additional \$1 fee is
265 included in the assessment fee collected by each county in accordance with
266 § 103(c)(5), Title 8, Delaware Code. Any instrument for which an assessment fee
267 is charged shall be considered one document for purposes of determining the
268 surcharge of \$5 and the \$1 fee.”

269 Section 40. Amend Title 9, Delaware Code, by adding a new Section 9624 to read
270 as follows:

271 “§ 9624. Integration of Documents from the Office of the Secretary of
272 State. The recorder of deeds of each county may, at his or her discretion and
273 expense, integrate the information and documents from the Delaware Corporation
274 Information System and the Optical Disk Imaging System of the Secretary of State

275 or any successor thereto into any system of the recorder for the electronic filing
276 and storage of information, including any system for the remote accessing of
277 information, and may print or microfilm documents from the Delaware Corporate
278 Information System and Optical Disk Imaging System; provided, that any user of a
279 county system for the remote accessing of information which includes the
280 Delaware Corporation Information System and the Optical Disk Imaging System
281 documents and images shall, as a condition of such use: 1) be at a location within
282 the State of Delaware; and 2) comply with all relevant rules and regulations
283 adopted from time to time by the Secretary of State governing the use of such
284 documents by remote users, including but not limited to those rules limiting the
285 transmission of such documents from the remote site; provided further, that the
286 County shall collect from each remote user (in addition to such charges or fees as
287 the County may assess and collect for itself pursuant to § 9625 of this Chapter),
288 and pay over to the Secretary of State not less than monthly such fee which the
289 Secretary of State shall from time to time assess for the privilege of accessing and
290 copying at a remote site documents which originate on the Optical Disk Imaging
291 System.

292 Section 41. Amend Title 9, Delaware Code, by adding a new Section 9625 thereto
293 to read as follows:

294 "§ 9625. Each recorder shall not charge any fees or telephone or other
295 electronic connection charges to title searchers, other commercial users or
296 members of the public to use the computer hardware and software system
297 provided by the Department of State in each recorder's office to access, search and
298 view the information and documents available on the Delaware Corporation
299 Information System and Optical Disk Imaging System of the Department as
300 provided in Section 2319 of Title 29; but each recorder may establish and amend
301 from time to time reasonable rules for the use of such on-site system and may
302 charge a reasonable fee for printing images or information from the system or for
303 remote access to such information and documents."

304 Section 42. Amend Title 29, Delaware Code, by adding a new Section 2319

305 thereto to read as follows:

306 "§ 2319. The Secretary of State shall, at no expense to the counties,
307 provide and install computer hardware and software in the offices of the recorder
308 of deeds of each of the counties to access, search, view and print the complete
309 Delaware Optical Disk Imaging System and the Delaware Corporation Information
310 System of the Secretary of State. The Secretary of State shall also provide and
311 install at its own expense in the office of each recorder any upgrade of either of
312 such computer hardware or software, or both, which the Secretary of State installs
313 from time to time in its own system, where such upgrade is necessary to maintain
314 no less than the same capacity for accessing, searching, storing, viewing and
315 printing Delaware Corporation Information System and Optical Disk Imaging
316 System documents and information at each of the recorder's offices as existed
317 immediately prior to the installation of such upgrade by the Secretary of State in its
318 own system. Each recorder shall maintain at its own expense the computer
319 hardware and software that has been installed by the Secretary of State in its
320 offices. Each recorder shall also pay for the initial installation and subsequent
321 monthly charges for all required telephone lines or other electronic connections
322 between the recorders' offices and the Secretary of State. The State shall not
323 charge any fees to the recorders for access and use through the recorders' offices
324 of the Delaware Corporation Information System and Optical Disk Imaging
325 System of the Secretary of State."

326 Section 43. This Act shall become effective on the later of July 1, 1996, or at such
327 time as the Secretary of State shall certify upon the recommendation of the Delaware
328 Office of Information Services that the computer hardware and software is installed in the
329 recorder's offices of New Castle, Kent and Sussex Counties and adequately functioning to
330 access, retrieve and print images from the Optical Disk Imaging System of the Secretary
331 of State."

SYNOPSIS

Delaware is one of only six states that currently requires both the filing of corporate documents with the Secretary of State (or similar office) and the recordation of such documents with the recorders of deeds (or similar office) of each of their counties. The Delaware Corporate Imaging System maintained by the Secretary of State has eliminated any compelling reason for preserving such a duplicate record keeping requirement in Delaware. Additionally, this dual filing requirement potentially places Delaware at a competitive disadvantage among those states that vie with Delaware for the corporate chartering business, and that have adopted a "one stop" filing system. (Indeed, representatives of at least one such competitor, the State of Nevada, are highlighting this advantage over Delaware in its promotional materials.)

This legislation amends various sections of Title 8, Title 9, and Title 29 of the Delaware Code to eliminate all statutory mandates for the filing and recordation with the recorders of deeds of each of the counties of corporate documents filed with the Secretary of State. At the same time, the bill recognizes and underwrites the important role historically played by the recorders of deeds with respect to providing public access to such documents by:

1. Requiring that the Secretary of State make available to each of the counties the necessary hardware and software to provide public access in each of the offices of the recorders of deeds to the Delaware Corporation Information System and the Optical Disk Imaging System,

2. Authorizing each of the recorder of deeds to integrate documents from the Optical Disk Imaging System into the recorder's own document system without charge to the respective counties;

3. Permitting each of the recorders to make available to remote users of any such county document system all corporate documents integrated into such county system from the Optical Disk Imaging System at an additional cost to such users which replicates the cost of such remote access for users who have on-line access to such documents directly with the Secretary of State; and

4. Preserving to each of the counties the fees which they have traditionally realized from the recordation of documents by establishing a "county assessment fee" which the Secretary of State will pay over weekly to the recorders as their agent in consideration for the continued role of the recorders in making available to the public, at no cost other than a modest copying charge, corporate documents retrieved from the Delaware Corporate Information System and the Optical Disk Information System. (The amount of such fee is intended to maintain the level of revenue which each of the counties is currently receiving from recordation fees, and to permit each of the counties to participate fully in the anticipated increase in new incorporations and corporate filings with the Secretary of State.)



SPONSOR: Rep. Buckworth

HOUSE OF REPRESENTATIVES

138TH GENERAL ASSEMBLY

HOUSE AMENDMENT NO. 1

JUN 5 1996

TO

HOUSE BILL NO. 589

1 AMEND House Bill No. 589 by striking line 35 in its entirety and substituting in
2 lieu thereof the following:

3 "state, and such information shall be permanently maintained. A copy of
4 each instrument shall be permanently maintained on optical disk or by other
5 suitable medium."

6 FURTHER AMEND House Bill No. 589 by adding after the period "." on line 310
7 and before the word "The" the following:

8 "Such computer hardware and software shall be substantially equivalent to
9 that utilized by other remote users of the Delaware Optical Disk Imaging System
10 and the Delaware Corporation Information System."

11 FURTHER AMEND House Bill No. 589 by adding after the period "." and before
12 the word "Each" on line 318 the following:

13 "The Secretary of State shall provide appropriate training for the operation
14 of the installed systems or any changes to the systems to two members of each
15 Recorder's office staff at no charge to the Recorders."

16 FURTHER AMEND House Bill No. 589 by striking line 331 in its entirety and
17 substituting in lieu thereof the following:

18 "of State, and two operators in each Recorder's office have been trained."

SYNOPSIS

This Amendment requires the corporate records be permanently maintained and the Secretary of State shall provided appropriate training, equipment and software.



SPONSOR: Rep. Buckworth

HOUSE OF REPRESENTATIVES

138TH GENERAL ASSEMBLY

HOUSE AMENDMENT NO. 2

JUN 5 1996

TO

HOUSE BILL NO. 589

1 AMEND House Bill. No. 589 by striking the period "." on line 320 and
2 substituting in lieu thereof the following:

3 " ; provided that any contract maintenance costs that exceed those
4 experienced by other remote users of the Delaware Optical Disk Imaging System
5 and the Delaware Corporation Information System for similar service shall be paid
6 by the Secretary of State."

SYNOPSIS

The Bill requires each County Recorder to maintain the system provided by the Secretary of State. The software and much of the hardware is proprietary -- only one source of maintenance and support. There is no alternate source for the mandated service. Each recorder will be forced to pay what the sole supplier chooses to charge. The Secretary of State is in the best position to control these charges as part of the initial contract. This Amendment encourages the Secretary of State to provide appropriate cost containment to protect the county taxpayers.



SPONSOR: Rep. Roy

HOUSE OF REPRESENTATIVES

138TH GENERAL ASSEMBLY

HOUSE AMENDMENT NO. 3

JUN 6 1996

TO

HOUSE BILL NO. 589

1 AMEND House Bill No. 589 by striking the Enactment Clause and substituting in
2 lieu thereof the following:

3 'BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF
4 DELAWARE (two-thirds of all members elected to each House thereof concurring
5 therein).''

SYNOPSIS

This Amendment requires a two-thirds vote as required by Article IX, Section 1 of this State Constitution.



SPONSOR: Rep. Buckworth

HOUSE OF REPRESENTATIVES

138TH GENERAL ASSEMBLY

HOUSE AMENDMENT NO. _____

4

JUN 6 - 1996

TO

HOUSE BILL NO. 589

1 AMEND House Bill No. 589 by striking line 35 in its entirety and substituting in
2 lieu thereof the following:

3 “state, and such information shall be permanently maintained. A copy of
4 each instrument shall be permanently maintained on optical disk or by other
5 suitable medium.”

6 FURTHER AMEND House Bill No. 589 by adding after the period “.” on line 310
7 and before the word “The” the following:

8 “Such computer hardware and software shall be substantially equivalent to
9 that utilized by other remote users of the Delaware Optical Disk Imaging System
10 and the Delaware Corporation Information System.”

11 FURTHER AMEND House Bill No. 589 by adding after the period “.” and before
12 the word “Each” on line 318 the following:

13 “The Secretary of State shall provide appropriate training for the operation
14 of the installed systems or any changes to the systems to two members of each
15 Recorder’s office staff at no charge to the Recorders.”

16 FURTHER AMEND House Bill No. 589 by striking line 331 in its entirety and
17 substituting in lieu thereof the following:

18 "of State, and that two operators in each Recorder's office have been
19 trained."

20 FURTHER AMEND House Bill No. 589 by striking the words "and software" on
21 line 319.

22 FURTHER AMEND House Bill No. 589 by adding after the "." on line 320 and
23 before the word "Each" the following:

24 "The Secretary of State shall provide each recorder the same level of
25 maintenance and support for the system software as provided to other remote
26 users, and shall charge each recorder no more than other remote users are charged
27 for similar services."

SYNOPSIS

This Amendment requires the corporate records be permanently maintained and the Secretary of State shall provided appropriate training, equipment and software. Further, the Secretary of State's responsibility for supporting the software for the access terminals is setforth and limits the charges for such supporting services to those paid by other remote users.



SPONSOR: Sen. Sharp

DELAWARE STATE SENATE

138TH GENERAL ASSEMBLY

1

JUN 18 1996

SENATE AMENDMENT NO. _____

TO

HOUSE BILL NO. 589

- 1 AMEND House Bill No. 589 by deleting the word "Department" as found on line
- 2 262 and replacing said word with the word "Development".

SYNOPSIS

This Amendment corrects a mistake in the name of the agency which is the recipient of the surcharge funds.

Author: Sen. Sharp