

**CS FOR HOUSE BILL NO. 421(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/25/04

Referred: Judiciary

Sponsor(s): REPRESENTATIVE ANDERSON

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to reconveyances of deeds of trust."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 34.20 is amended by adding a new section to read:

4 **Sec. 34.20.115. Procedure for reconveyance.** (a) Unless the beneficiary has  
5 requested that a title insurance company reconvey a trust deed before the title  
6 insurance company mails or delivers the notice under (b) of this section, a title  
7 insurance company shall comply with the requirements of this section before  
8 reconveying the trust deed.

9 (b) Not less than 30 days after payment in full of the obligation secured by a  
10 trust deed and receipt of satisfactory evidence of payment in full, a title insurance  
11 company shall

12 (1) mail, by certified mail with postage prepaid, return receipt  
13 requested, to the beneficiary or a servicer, a notice of intent to reconvey; the notice  
14 shall be sent to the beneficiary's or servicer's address stated in the trust deed, to an  
15 address for the beneficiary or servicer stated in the last recorded assignment of the

1 trust deed, if any, and to an address for a beneficiary or servicer shown in a request for  
2 notice recorded under (g) of this section; or

3 (2) hand deliver to the beneficiary or servicer a notice of intent to  
4 reconvey.

5 (c) The notice required by (b) of this section must be in substantially the  
6 following form and accompanied by a copy of the reconveyance to be recorded:

7 NOTICE OF INTENT TO RECONVEY

8 TO: (Beneficiary or servicer for beneficiary)

9 FROM: (Title insurance company)

10 DATE: .....

11 Notice is hereby given to you as follows:

12 (1) This notice concerns the trust deed described as  
13 follows:

14 Trustor: .....

15 Beneficiary: .....

16 Recording information:

17 Serial number: .....

18 or

19 Book number: .....

20 Page number: .....

21 (2) The undersigned title insurance company claims to  
22 have fully paid or received satisfactory evidence of the payment in full  
23 of the obligation secured by the trust deed described above.

24 (3) Unless, within 60 days following the date stated  
25 above, the undersigned has received, by certified mail, return receipt  
26 requested, directed to the address noted below, a notice stating that you  
27 have not received payment in full of all obligations secured by the trust  
28 deed or that you otherwise object to reconveyance of the trust deed, the  
29 undersigned will fully release and reconvey the trust deed under  
30 AS 34.20.115.

31 (4) A copy of the reconveyance or release of the trust

1 deed is enclosed with this notice.

2 (Title insurance company)

3 (Address)

4 (d) After at least 60 days have elapsed after the mailing or delivery of the  
5 notice of intent to reconvey under (b) of this section, if a title insurance company has  
6 not received an objection to the reconveyance, the title insurance company may  
7 execute and record a reconveyance of the trust deed.

8 (e) The reconveyance authorized by (d) of this section must be acknowledged  
9 under AS 09.63 and be in substantially the following form:

10 RECONVEYANCE OF TRUST DEED

11 ..... , a title insurance company authorized to  
12 transact business in Alaska, does, by this document, reconvey, without  
13 warranty, to the person or persons legally entitled to the trust property,  
14 the following trust property covered by a trust deed naming  
15 ..... as trustor and ..... as beneficiary,  
16 which was recorded on ..... at serial number  
17 ..... or at book ..... and page  
18 .....

19 The following described property located in the  
20 ..... Judicial District, State of Alaska:

21 (property description)

22 The undersigned title insurance company certifies that

23 (1) the undersigned title insurance company has fully  
24 paid or received satisfactory evidence of the payment in full of the  
25 obligation secured by the trust deed;

26 (2) not less than 30 days following the payment in full  
27 of the trust deed, the undersigned hand delivered or mailed by certified  
28 mail, return receipt requested, to the record beneficiary under the trust  
29 deed or the servicer for the record beneficiary, at the beneficiary's or  
30 servicer's record address a notice of intent to reconvey as required by  
31 AS 34.20.115; and

1 (3) at least 60 days have elapsed after the mailing or  
2 delivery of the notice of intent to reconvey and the undersigned title  
3 insurance company has not received an objection to the reconveyance.

4 Dated .....

5 .....

6 (Title insurance company)

7 (Acknowledgment)

8 (f) A reconveyance of a trust deed, when executed and acknowledged in  
9 substantially the form prescribed in (e) of this section, may be recorded and, when  
10 recorded, constitutes a reconveyance of the trust deed identified in the reconveyance,  
11 regardless of any deficiency in the reconveyance procedure that is not disclosed in the  
12 recorded reconveyance, except for forgery of the title insurance company's signature.  
13 The reconveyance of a trust deed under this section does not discharge a personal  
14 obligation that was secured by the trust deed at the time of its reconveyance.

15 (g) A person who wants to receive a copy of a notice given under (b) of this  
16 section after the deed of trust is recorded and before the reconveyance is recorded  
17 under (d) of this section may record a request for a copy of the notice in the office of  
18 the recorder in the judicial district in which a part of the real property is located. The  
19 request must be acknowledged, must state the name and address of the person  
20 requesting the copy of the notice, and must identify the deed of trust by stating the  
21 names of the parties to the deed of trust, the date of recordation, and the serial number  
22 or book and page numbers where the deed of trust is recorded.

23 (h) If, at any point during the procedure required by this section, the  
24 beneficiary requests the title insurance company to reconvey the trust deed, the title  
25 insurance company is not required to proceed with the rest of the procedure required  
26 by this section and may execute and record a reconveyance of the trust deed.

27 (i) In this section,

28 (1) "servicer" means a person who handles, for a beneficiary of a trust  
29 deed, the receipt of the beneficiary's payments under the trust deed;

30 (2) "title insurance company" means a title insurance company or a  
31 title insurance limited producer; in this paragraph, "title insurance company" and "title

1 insurance limited producer" have the meanings given in AS 21.66.480.