

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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SENATE BILL 332  
Judiciary Committee Substitute Adopted 5/1/19  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S332-PCS35310-TG-40

Short Title: Civil Procedure/Limitations/Land Surveyors.

(Public)

Sponsors:

Referred to:

March 25, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY STATUTES OF LIMITATION AND REPOSE APPLICABLE TO  
3 ACTIONS BROUGHT AGAINST PROFESSIONAL LAND SURVEYORS, AND TO  
4 MAKE CHANGES AND TECHNICAL CORRECTIONS TO THE GENERAL STATUTES  
5 CONCERNING REAL PROPERTY LAW.

6 Whereas, the General Assembly has provided through the enactment of G.S. 1-47(6)  
7 and G.S. 1-52(18) two limitations periods for actions brought against a registered land surveyor  
8 as defined in G.S. 89C-3(9) or a person acting under the surveyor's supervision and control for  
9 physical damage or for economic or monetary loss due to negligence or a deficiency in the  
10 performance of surveying or platting; and

11 Whereas, it was the intent of the General Assembly to establish a 3-year statute of  
12 limitation under G.S. 1-52(18) and a 10-year statute of repose under G.S. 1-47(6) for such  
13 actions; and

14 Whereas, the North Carolina courts have held that the limitations period under  
15 G.S. 1-47(6) is more specific and provides a longer period of time than the limitations period  
16 under G.S. 1-52(18); and, consequently, that the 10-year limitation under G.S. 1-47(6) applies to  
17 the exclusion of the 3-year limitation under G.S. 1-52(18); and

18 Whereas, such ruling by the North Carolina courts have rendered the 3-year limitation  
19 under G.S. 1-52(18) a nullity, contrary to the intent of the General Assembly; and

20 Whereas, the General Assembly wishes to amend the provisions of G.S. 1-47 and  
21 G.S. 1-52 to establish a 3-year statute of limitation and 7-year statute of repose for such causes  
22 of action; Now, therefore,

23 The General Assembly of North Carolina enacts:

24 **SECTION 1.** G.S. 1-47 reads as rewritten:

25 "**§ 1-47. Ten years.**

26 Within ten years an action –

27 ...

28 (6) a. ~~Against any registered land surveyor as defined in G.S. 89C-3(9) or any~~  
29 ~~person acting under his supervision and control for physical damage or for~~  
30 ~~economic or monetary loss due to negligence or a deficiency in the~~  
31 ~~performance of surveying or platting, within 10 years after the last act or~~  
32 ~~omission giving rise to the cause of action.~~

33 b. ~~For purposes of this subdivision, "surveying and platting" means boundary~~  
34 ~~surveys, topographical surveys, surveys of property lines, and any other~~



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1 measurement or surveying of real property and the consequent graphic  
2 representation thereof.

3 e. ~~The limitation prescribed by this subdivision shall apply to the exclusion of~~  
4 ~~G.S. 1-15(e) and G.S. 1-52(16)."~~

5 **SECTION 2.** G.S. 1-52(18) reads as rewritten:

6 **"§ 1-52. Three years.**

7 Within three years an action –

8 ...

9 (18) Against any ~~registered professional~~ land surveyor as defined in G.S. 89C-3(9)  
10 or any person acting under ~~his~~ the surveyor's supervision and control for  
11 physical damage or economic or monetary loss due to negligence or a  
12 deficiency in the performance of surveying or ~~platting as defined in~~  
13 ~~G.S. 1-47(6). platting.~~ A cause of action for physical damage under this  
14 subdivision shall be deemed to accrue at the time of the occurrence of the  
15 physical damage giving rise to the cause of action. All actions under this  
16 subdivision shall commence within seven years from the specific last act of  
17 the professional land surveyor or any person acting under the surveyor's  
18 supervision and control giving rise to the cause of action. For purposes of this  
19 subdivision, "surveying and platting" means boundary surveys, topographical  
20 surveys, surveys of property lines, and any other measurement or surveying  
21 of real property and the consequent graphic representation thereof."

22 **SECTION 2.1.(a)** The General Statutes are amended by adding a new Chapter to

23 read:

24 **"Chapter 47I.**

25 **"Notice of Settlement Act.**

26 **"§ 47I-1. Short title.**

27 This Chapter shall be known as the "Notice of Settlement Act."

28 **"§ 47I-2. Purpose.**

29 The purpose of this Chapter is to modernize the law governing the transfer of a legal or  
30 equitable title to real property, or interests therein, by providing advance notice of transactions  
31 and facilitating electronic closing of transactions, electronic recording of documents, and  
32 disbursement of funds in connection with the settlement of real property transactions. The use of  
33 this Chapter in a real estate transaction is optional, and failure to use the procedure authorized by  
34 this Chapter shall not constitute grounds for any claim for relief at law or equity, unless an express  
35 contract exists requiring its use. This Chapter creates an additional, nonexclusive procedure for  
36 registering a property interest in real property through the use of a notice of settlement, and  
37 establishing concurrently therewith priority in the property in a grantee of a conveyance or lease  
38 under G.S. 47-18 or mortgagee under G.S. 47-20 and for any other priority purposes based on  
39 registration in the public records from the time of filing of the notice of settlement.

40 **"§ 47I-3. Definitions.**

41 As used in this Chapter, unless the context requires otherwise, the following definitions  
42 apply:

- 43 (1) Conveyance transaction. – A transaction involving a deed or lease from the  
44 current owner of record to a grantee. The term includes any mortgage  
45 financing to be secured by the real property at the settlement.  
46 (2) Current owner of record. – The person who holds of record the legal or  
47 equitable title to, or interest in, real property to be conveyed, leased, or  
48 mortgaged under this Chapter and as identified in the notice of settlement.  
49 (3) Deed. – Any instrument conveying a legal or equitable title to, or an interest  
50 in, real property for a purpose other than to secure an obligation or

1 indebtedness. The term includes the legal or equitable title to, and any interest  
2 in, real property described in the instrument.

3 (4) Discoverable online. – A document, instrument or other entry which, at the  
4 time of registration of the deed, lease, or mortgage is the subject of a notice of  
5 settlement, would be indexed and found online at the public Web sites  
6 maintained by the applicable register of deeds for the county in which the  
7 property is located, the Administrative Office of the Courts, the mechanics'  
8 online lien agent registry pursuant to G.S. 44A-11.2(f)(7), and any other  
9 offices, other than birth, death, and notary records, which would be a part of  
10 the regular search of a title to property by a reasonable title examiner in this  
11 State for purposes of conveyance, lease, and mortgage of real property.

12 (5) Grantee. – The person to whom a legal or equitable title to real property, or an  
13 interest therein, including leasehold interest, shall be conveyed pursuant to a  
14 settlement. The term includes a related assignee, including, but not limited to,  
15 a principal on behalf of the ultimate purchaser, a parent entity for a wholly  
16 owned special purpose entity purchaser, existing or to be formed, or their  
17 attorney; provided, however, that the assignee is designated in writing at or  
18 prior to the settlement by assignment from the person contracting to purchase  
19 the real property from the current owner of record. Priority of a grantee  
20 hereunder shall extend to those claiming by, through, or under them pursuant  
21 to G.S. 47-18 and G.S. 47-20.

22 (6) Lease. – An agreement creating a leasehold interest in real property described  
23 in that agreement or in a memorandum describing that agreement.

24 (7) Mortgage. – A mortgage, deed of trust, or other instrument conveying a legal  
25 or equitable interest in real property for purposes of obtaining a security  
26 interest therein as security for an underlying obligation or any ancillary  
27 security instrument, as defined in G.S. 45-42.3(a), recorded therewith and  
28 related thereto and that includes the legal or equitable interest in real property  
29 described in the instrument.

30 (8) Mortgage transaction. – A settlement transaction involving a mortgage from  
31 the current owner of record, encumbering the real property which is the  
32 subject of the notice of settlement. The term may include (i) a refinancing of  
33 an existing mortgage, (ii) a home equity loan, (iii) a line of credit, (iv) a  
34 construction loan, or (v) other financing to be secured by a mortgage on the  
35 real property. The term does not include a conveyance transaction as defined  
36 in this section.

37 (9) Mortgagee. – The grantee, beneficiary, or secured party in the mortgage. The  
38 term includes the trustee under a deed of trust on their behalf.

39 (10) Mortgagor. – The person executing a mortgage pursuant to a settlement.

40 (11) Notice agent. – One of the following:

41 a. An attorney licensed under Chapter 84 of the General Statutes who is  
42 representing any of the following:

43 1. The current owner of record.

44 2. The grantee in a conveyance transaction.

45 3. The mortgagor in a mortgage transaction, by the current owner  
46 of record or their assignee.

47 4. The title insurance company or agent insuring the real estate  
48 title that is subject to the settlement.

49 b. The mortgagee for a mortgage transaction, duly authorized by the  
50 current owner of record or their agent to register a notice of settlement  
51 pursuant to this Chapter, where the mortgagee is handling the

1 settlement and closing of the transaction, regardless of how funds are  
2 disbursed.

3 (12) Person. – Any individual, firm, corporation, governmental unit or subdivision,  
4 or other legal entity that may hold a legal or equitable title to, or interest in,  
5 real property under the laws of this State.

6 (13) Settlement. – The delivery of the instruments conveying a legal or equitable  
7 title to, or interest in, real property to the grantee or mortgagee for valuable  
8 consideration as agreed upon by the parties to the transaction.

9 (14) Transaction documents. – A deed, lease, or mortgage and any other documents  
10 registered simultaneously with and as part of the settlement, or referenced in  
11 the deed, lease, or mortgage and related to the settlement, including any  
12 ancillary security instruments as provided in G.S. 45-42.3.

13 **"§ 47I-4. Instrument; designation; filing; index of notice of settlement.**

14 (a) The notice agent may register an instrument designated a "Notice of Settlement" in  
15 the office of the register of deeds of the county or counties in which the real property is situated  
16 with reference to a settlement that the notice agent in good faith reasonably believes will occur  
17 within 60 days of the registration.

18 (b) A contract between the current owner of record and a grantee shall be conclusively  
19 deemed sufficient authority for the notice agent to register a notice of settlement, unless the  
20 contract specifically prohibits registration of a notice.

21 (c) The notice of settlement shall be (i) indexed in the indexes provided for real estate  
22 conveyances, (ii) registered as a real estate instrument, and (iii) indexed in the name of the current  
23 owner of record identified in the notice of settlement and in the names of the parties as identified  
24 in the notice of settlement.

25 (d) The applicable registration fee under G.S. 161-10 shall be paid at the time the notice  
26 of settlement is registered.

27 **"§ 47I-5. Signature; content; acknowledgment.**

28 The notice of settlement shall contain at least all of the following:

29 (1) The name, street address, and telephone number of the notice agent registering  
30 the notice of settlement.

31 (2) The current owner of record.

32 (3) The grantee, if a conveyance transaction.

33 (4) The mortgagee, if a mortgage transaction.

34 (5) Sufficient information to identify the real property based on the public  
35 records.

36 (6) The date the notice of settlement will expire, not to exceed 60 days from the  
37 date of registration. If no date is provided, the notice shall expire 60 days after  
38 registration.

39 (7) Execution by the notice agent.

40 (8) Acknowledgment of the execution by the notice agent as required by law for  
41 the registration of instruments.

42 **"§ 47I-6. Forms.**

43 The form of the notice of settlement shall be substantially as follows:

44 "NOTICE OF SETTLEMENT

45 Notice Agent: \_\_\_\_\_

46 Street address: \_\_\_\_\_

47 Telephone number: \_\_\_\_\_

48 Current Owner(s) of Record: \_\_\_\_\_

49 Street address: \_\_\_\_\_

50 Telephone number: \_\_\_\_\_

51 Grantee(s) (for Conveyance Transaction): \_\_\_\_\_

1           Street address:\_\_\_\_\_

2           Telephone number:\_\_\_\_\_

3           Mortgagee (for Mortgage Transaction):\_\_\_\_\_

4           Officer:\_\_\_\_\_

5           Street address:\_\_\_\_\_

6           Telephone number:\_\_\_\_\_

8           NOTICE is hereby given pursuant to Chapter 47I of the North Carolina General Statutes of

9 a settlement affecting title to the following described real property of the current owner of record.

10 The undersigned is duly authorized by the current owner of record (and their client, if

11 different) to record this Notice of Settlement, and is:

12            a North Carolina licensed attorney representing the current owner of record, the

13 grantee, the mortgagor, or the title insurance company or agent insuring the real estate title related

14 to the settlement, OR

15            the mortgagee for a mortgage transaction by the current owner of record.

16

17           The property subject to this Notice of Settlement is:

18           [INSERT SUFFICIENT INFORMATION REGARDING THE PROPERTY FOR IT TO BE

19 CLEARLY IDENTIFIED FROM THE PUBLIC RECORDS, SUCH AS LEGAL

20 DESCRIPTION, VESTING DOCUMENT REFERENCE, STREET ADDRESS, AND/OR TAX

21 MAP REFERENCES]

22

23           This Notice of Settlement shall be effective from the time of, and for \_\_\_\_\_ days [INSERT

24 NUMBER OF DAYS, NOT TO EXCEED 60 DAYS], or if none stated, the term of this Notice

25 of Settlement shall be 60 days, following the day of registration of this Notice of Settlement in

26 the office of the register of deeds of the county in which the above real property is situated.

27

28

29           \_\_\_\_\_  
Signature of Notice Agent

30

31           [NOTARIAL CERTIFICATE OF ACKNOWLEDGMENT IN COMPLIANCE WITH

32 NORTH CAROLINA LAW]"

33 **"§ 47I-7. Constructive notice; priority.**

34           (a) The registration of a notice of settlement shall be constructive notice of the anticipated

35 settlement and interest of the grantee or mortgagee affecting the real property identified in the

36 notice of settlement.

37           (b) Subject to the provisions of subsection (c) of this section, the registration of the notice

38 of settlement shall establish priority of title of the grantee or mortgagee under the deed, lease, or

39 mortgage from the time of registration of the notice of settlement as against subsequent

40 purchasers for value, lien creditors, and others claiming an interest in the real property identified

41 in the notice of settlement through any person who holds the legal or equitable title to, or interest

42 in, the real property and through chain of title of the current owner of record identified in the

43 notice of settlement. Priority shall be determined as if the deed or lease to the grantee or mortgagee

44 to mortgagee had been registered at the time of the registration of the notice of settlement. A

45 deed, lease, or mortgage delivered pursuant to the settlement for which the notice of settlement

46 is duly registered in the county or counties where the real property is situated prior to expiration

47 of the notice of settlement shall continue the priority of the grantee or mortgagee in the subject

48 real property established by the notice of settlement and the priority of the grantee or mortgagee

49 under the duly registered deed, lease, or mortgage shall be a continuously perfected property

50 interest in the real property from the time of registration of the notice of settlement under this

51 Chapter, against subsequent purchasers for value, lien creditors, and other persons claiming an

1 interest in the real property through any person who holds of record the legal or equitable title to,  
2 or interest in, the real property.

3 (c) A duly registered notice of settlement shall not affect the priority of any of the  
4 following:

5 (1) The designation of a lien agent and the related notices to lien agent filed  
6 pursuant to Article 2 of Chapter 44A of the General Statutes for the subject  
7 real property and discoverable online at an internet Web site for that purpose  
8 pursuant to G.S. 44A-1.2(f)(7) prior to registration of the deed, lease, or  
9 mortgage.

10 (2) Potential claims for which no lien agent is required to be appointed under  
11 G.S. 44-11.1(a).

12 (3) Valid conveyances, liens, or encumbrances, other than transaction documents,  
13 upon the property duly registered with the register of deeds or filed with the  
14 clerk in the county or counties in which the real property is located and  
15 discoverable online at least five business days prior to registration of the deed,  
16 lease, or mortgage pursuant to this Chapter.

17 (4) Any interest or claim regarding the real property by a claimant who is the  
18 beneficiary of any valid conveyance, lien, or encumbrance in the public record  
19 that attaches to the real property and is duly registered or filed in the public  
20 records of the county or counties in which the real property is located as  
21 required by law, and for which the claimant or their attorney has done all of  
22 the following:

23 a. Delivered actual notice clearly identifying the recordation or filing  
24 information in the county or counties of their legitimate conveyance,  
25 lien, or encumbrance on the real property, the specific notice of  
26 settlement, the property, and the current owner of record to the notice  
27 agent at least five business days prior to the settlement.

28 b. Obtained an acceptance of delivery identifying their valid conveyance,  
29 lien, or encumbrance, (i) identifying the notice of settlement by book  
30 and page of registration in the county or counties and the real property  
31 affected, (ii) signed by the claimant, including the name, address, and  
32 telephone number of the claimant, (iii) signed by the notice agent, and  
33 (iv) with notarial certificate regarding execution by each person  
34 signing, at least one business day prior to the registration of the deed,  
35 lease, or mortgage pursuant to the notice of settlement.

36 c. Has registered the signed acceptance of delivery with the register of  
37 deeds of the county or counties in which the property is located at least  
38 one business day prior to the registration of the deed, lease, or  
39 mortgage pursuant to the notice of settlement.

40 Registration of a notice and acceptance of delivery shall be prima facie evidence that the  
41 notice and acceptance of delivery was delivered to the notice agent. If the notice agent is not the  
42 closing or settlement agent, upon request by the closing or settlement agent, the notice agent shall  
43 provide any notices received pursuant to this subsection.

44 (d) Notwithstanding subsection (c) of this section, a closing attorney or settlement agent  
45 shall have authority to pay any potential liens upon the real property that is the subject of the  
46 notice of settlement or any liabilities of the current owner of record which may affect title and  
47 that are actually known to the closing attorney or settlement agent, in order to protect a purchaser,  
48 lessee, or mortgagee or comply with the terms of a contract of sale, lease, or mortgage.

49 (e) Nothing in this section shall be deemed to relieve the current owner of record,  
50 mortgagor, or any other party of their personal liability for any legal or financial obligation.

(f) If the named grantee or mortgagee in the notice of settlement differs from the grantee or mortgagee in the instrument registered pursuant to the settlement, the deed or mortgage registered pursuant to the settlement may bear a legend that is in a form and substance substantially as follows:

"This instrument was delivered at the settlement referred to in the Notice of Settlement by \_\_\_\_\_ (Signatory of Notice of Settlement) recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, \_\_\_\_\_ County Registry, identifying the Grantee as [Name of Grantee] and Mortgagee [Name of Mortgagee] (as applicable)."

(g) A statement signed by an attorney licensed under Chapter 84 of the General Statutes may be submitted for registration with the deed, lease, or mortgage that the attorney had updated the title examination for the real property on the applicable online registries for the public records as of a specified date and time after registration of the notice of settlement and prior to its expiration, identifying any further conveyances, liens, or encumbrances found online after registration of the notice of settlement and before registration of the transaction documents. The certification shall be prima facie evidence of the truth of the certification therein.

**§ 47I-8. Duration of notice; priority; number of filings; not renewable.**

(a) The notice of settlement shall be effective as provided in G.S. 47I-7(a) from the time of registration and for the number of days stated in the notice of settlement, but no more than 60 days following the day of, registration of the notice of settlement pursuant to this Chapter. If the deed, lease, or mortgage delivered pursuant to a settlement for which the notice of settlement was registered has not been properly registered in the county or counties where the real property is situated prior to the expiration of the notice of settlement, the notice of settlement shall be void, and the priority of the grantee or mortgagee under the deed, lease, or mortgage registered subsequent to the expiration shall date from the time of registration of the deed, lease, or mortgage, and not from the time of the registration of the expired notice of settlement.

(b) Except as provided in subsection (c) of this section, registered notice of settlement may not be amended, extended, or renewed.

(c) For any particular transaction, an "Additional Notice of Settlement" may be registered after the initial notice of settlement. The "Additional Notice of Settlement" shall be as effective as a notice of settlement pursuant to G.S. 47I-4, but only from the date and time of its registration and subject to the terms of this Chapter as if the original notice of settlement had not been registered. An "Additional Notice of Settlement" shall be registered and indexed as a "subsequent instrument" pursuant to the provisions of G.S. 161-14.1. Only one "Additional Notice of Settlement" may be registered for any single notice of settlement.

**§ 47I-9. Early termination of notice of settlement.**

The notice agent may terminate the notice of settlement by filing a notice of termination in a form substantially as follows:

**"TERMINATION OF NOTICE OF SETTLEMENT**

Current Owner(s) of Record: \_\_\_\_\_  
Grantee(s) (for Conveyance Transaction): \_\_\_\_\_  
Mortgagee(s) (for Mortgage Transaction): \_\_\_\_\_  
Notice Agent: \_\_\_\_\_

NOTICE is hereby given pursuant to Chapter 47I of the North Carolina General Statutes that the Notice of Settlement filed by the undersigned \_\_\_\_\_ (date or recording information) is hereby terminated.

\_\_\_\_\_  
Signature of Notice Agent

1 [NOTARIAL CERTIFICATE OF ACKNOWLEDGMENT IN COMPLIANCE WITH  
2 NORTH CAROLINA LAW]

3  
4 A notice of termination shall be registered and indexed as a "subsequent instrument" pursuant  
5 to the provisions of G.S. 161-14.1.

6 **"§ 47I-10. Severability.**

7 If any provision of this Chapter or the application thereof to any person or circumstance is  
8 held invalid, that invalidity shall not affect other provisions or applications of this Chapter which  
9 can be given effect without the invalid provision or application, and to that end, the provisions  
10 of this Chapter are severable."

11 **SECTION 2.1.(b)** G.S. 47-18 reads as rewritten:

12 **"§ 47-18. Conveyances, contracts to convey, options and leases of land.**

13 (a) No (i) conveyance of land, or (ii) contract to convey, or (iii) option to convey, or (iv)  
14 lease of land for more than three years shall be valid to pass any property interest as against lien  
15 creditors or purchasers for a valuable consideration from the donor, bargainer or lesser but from  
16 the time of registration thereof in the county where the land lies, or if the land is located in more  
17 than one county, then in each county where any portion of the land lies to be effective as to the  
18 land in that county. Unless otherwise stated either on the registered instrument or on a separate  
19 registered instrument duly executed by the party whose priority interest is adversely affected, (i)  
20 instruments registered in the office of the register of deeds shall have priority based on the order  
21 of registration as determined by the time of registration, and (ii) if instruments are registered  
22 simultaneously, then the instruments shall be presumed to have priority as determined by:

23 (1) The earliest document number set forth on the registered instrument.

24 (2) The sequential book and page number set forth on the registered instrument if  
25 no document number is set forth on the registered instrument.

26 The presumption created by this subsection is rebuttable.

27 ...

28 (c) Notwithstanding any provision in subsection (a) of this section to the contrary, the  
29 priority of conveyances of land and leases is subject to the priority established under a notice of  
30 settlement registered in compliance with the provisions of Chapter 47I of the General Statutes."

31 **SECTION 2.1.(c)** G.S. 47-20 reads as rewritten:

32 **"§ 47-20. Deeds of trust, mortgages, conditional sales contracts, assignments of leases and**  
33 **rents; effect of registration.**

34 (a) No deed of trust or mortgage of real or personal property, or of a leasehold interest or  
35 other chattel real, or conditional sales contract of personal property in which the title is retained  
36 by the vendor, shall be valid to pass any property as against lien creditors or purchasers for a  
37 valuable consideration from the grantor, mortgagor or conditional sales vendee, but from the time  
38 of registration thereof as provided in this ~~Article~~; Article, or according to priority established  
39 pursuant to compliance with the provisions of Chapter 47I of the General Statutes, provided  
40 however that any transaction subject to the provisions of the Uniform Commercial Code (Chapter  
41 25 of the General Statutes) is controlled by the provisions of that act and not by this section.  
42 Unless otherwise stated either on the registered instrument or on a separate registered instrument  
43 duly executed by the party whose priority interest is adversely affected, (i) instruments registered  
44 in the office of the register of deeds shall have priority based on the order of registration as  
45 determined by the time of registration, and (ii) if instruments are registered simultaneously, then  
46 the instruments shall be presumed to have priority as determined by:

47 (1) The earliest document number set forth on the registered instrument.

48 (2) The sequential book and page number set forth on the registered instrument if  
49 no document number is set forth on the registered instrument.

50 The presumption created by this subsection is rebuttable.

51 ...."



1           **SECTION 2.1.(d)** G.S. 161-14.1 reads as rewritten:

2   "**§ 161-14.1. Recording subsequent entries as separate instruments.**

3       (a) As used in this section, the following terms mean:

4           (1) Original instrument. – The previously recorded instrument that is modified,  
5               amended, restated, supplemented, assigned, satisfied, terminated, revoked, or  
6               cancelled by a subsequent instrument.

7           (2) Recording data. – The book and page number or document number that  
8               indicates where an instrument is recorded in the office of the register of deeds.

9           (3) Subsequent instrument. – Any instrument presented for registration that  
10               indicates in its title or within the first two pages of its text that it is intended  
11               or purports to modify, amend, restate, supplement, assign, satisfy, terminate,  
12               revoke, or cancel a previously registered instrument. Examples of subsequent  
13               instruments include the following:

14           a. The appointment or designation of a substitute trustee in a deed of  
15               trust.

16           ...

17           t. An additional notice of settlement pursuant to G.S. 47I-8(c).

18           u. A termination of notice of settlement pursuant to G.S. 47I-9.

19       ...."

20           **SECTION 2.1.(e)** Sections 2.1(a) through 2.1(e) of this act become effective January  
21       1, 2020, and apply to notices of settlement registered on or after that date.

22           **SECTION 2.2.(a)** Section 4.1 of S.L. 2018-80 reads as rewritten:

23       "**SECTION 4.1.** Sections 1.2 and 1.3 of this act become effective October 1, 2018, and apply  
24       to instruments presented for registration on or after that date. Section 3.1 of this act becomes  
25       effective October 1, 2018. Section 2.1 of this act becomes effective when this act becomes law  
26       and applies to deeds and deeds of trust presented for registration on or after that date. Section 2.2  
27       of this act becomes effective when this act becomes law and applies to all instruments entered  
28       into before, on, or after that date. The remainder of this act is effective when this act becomes  
29       law and applies to mortgages and deeds of trust entered into before, on, or after that date."

30           **SECTION 2.2.(b)** G.S. 47-17.1 reads as rewritten:

31       "**§ 47-17.1. Documents registered or ordered to be registered in certain counties to**  
32       **designate draftsman; exceptions.**

33       The register of deeds of any county in North Carolina shall not accept for registration, nor  
34       shall any judge order registration pursuant to G.S. 47-14, of any deeds or deeds of trust, executed  
35       after January 1, 1980, unless the first page of the deeds or deeds of trust bears an entry showing  
36       the name of ~~either the person or law firm who drafted the instrument. This section shall not apply~~  
37       ~~to other instruments presented for registration. For the purposes of this section, the register of~~  
38       ~~deeds shall accept the written representation of the individual presenting the deed or deed of trust~~  
39       ~~for registration, or any individual reasonably related to the transaction, including, but not limited~~  
40       ~~to, any employee of a title insurance company or agency purporting to be involved with the~~  
41       ~~transaction, that the individual or law firm listed on the first page is a validly licensed attorney~~  
42       ~~or validly existing law firm in this State or another jurisdiction within the United States.~~the drafter  
43       of the deed or deed of trust. The register of deeds shall not be required to verify or make inquiry  
44       concerning the capacity or authority of the person or entity shown as the drafter on the  
45       instrument."

46           **SECTION 3.** If any section or provision of this act is declared unconstitutional or  
47       invalid by the courts, it does not affect the validity of this act as a whole or any part other than  
48       the part declared to be unconstitutional or invalid.

49           **SECTION 4.** Sections 1 and 2 are effective when this act becomes law and apply to  
50       actions arising on or after that date. Unless otherwise provided, the remainder of this act is  
51       effective when it becomes law.