To direct the Secretary of Housing and Urban Development to establish a grant program to address deed fraud, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. CLEAVER introduced the following bill; which was referred to the Committee on ____________________

A BILL

To direct the Secretary of Housing and Urban Development to establish a grant program to address deed fraud, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Good Documentation and Enforcement of Estate Deeds Act of 2022” or the “Good DEED Act”.

(Original Signature of Member)
SEC. 2. DEED FRAUD GRANT PROGRAM.

(a) Establishment.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall establish a program (in this section referred to as the “Program”) to award grants, on a competitive basis, to address deed fraud in accordance with this section.

(b) Eligibility.—

(1) Eligible entities.—In carrying out the Program, the Secretary may award a grant to the following:

(A) A State.

(B) A political subdivision of a State with a population of 200,000 or more individuals.

(2) Applications.—To be eligible to receive a grant under the Program, an entity specified in paragraph (1) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary determines appropriate.

(3) Fingerprint requirement.—To be eligible to receive a grant under the Program, an entity specified in paragraph (1) that is a State shall require that if a document to be notarized is a written instrument transferring an interest in real property,
any notary public performing an in-person notarization shall—

(A) if a print notary journal is used, require the party signing the document to place his or her right thumbprint or other fingerprint as appropriate in a sequential notary journal entry; and

(B) if an electronic notary journal is used—

(i) save to such journal a picture of the signing party’s face; or

(ii) save to such journal a video of the signer during the act of signing.

(4) RECORDING RETENTION REQUIREMENT.—To be eligible to receive a grant under the Program, a State shall require any notary public performing remote notarization using audio-visual technology with respect to a written instrument transferring an interest in real property to submit an audio and visual recording of the notarization to a repository approved by such State where such recording shall be retained for not less than 10 years.

(e) USE OF FUNDS.—A grant recipient under the Program may only use grant amounts to fund the fol-
following activities carried out by the recipient or a covered organization:

(1) Legal assistance related to deed fraud for a low-income individual.

(2) Coverage of costs associated with clearing a title for a low-income individual.

(3) Acquisition, upgrade, or implementation of technology that—

(A) assists in preventing or detecting or responding to deed fraud;

(B) facilitates communication in response to the detection of deed fraud;

(C) assists in the creation of websites relating to deed fraud;

(D) assists in the creation and use of public notification systems;

(E) allows for geospatial information system mapping of deed fraud report locations;

(F) enhances the indexing of information relating to deed fraud;

(G) improves the exchange of data relating to deed fraud; or

(H) reduces notarial fraud or mistake in the performance of notarial acts.
(4) Assistance in the prevention, detection, investigation, and prosecution of deed fraud, including through the provision of—

(A) education and training;

(B) information sharing and partnership facilitation;

(C) research support and other assistance supportive of intelligence-focused policing; and

(D) investigative support, including support staff, detectives, and prosecutors.

(d) SELECTION CRITERIA.—

(1) PRIORITY.—In awarding grants under the Program, the Secretary shall give priority to grant applications that propose to assist an area with a high actual or potential risk of deed fraud affecting title, as determined by the Secretary.

(2) MINIMUM ALLOCATION FOR LEGAL SERVICES.—At least 35 percent of the amounts awarded by the Secretary under the Program shall be used to provide legal assistance described in subsections (c)(1) and (c)(2).

(e) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing,
and Urban Affairs of the Senate a report on the Program, including—

(1) a description of activities funded under the Program;

(2) an identification of factors that increase and decrease the likelihood of deed fraud, which shall include the impact of state laws; and

(3) an assessment of the effectiveness of the Program in assisting victims of deed fraud affecting title.

(f) Uniform Crime Reporting Program.—The Director of the Federal Bureau of Investigations shall, not later than 1 year after the date of the enactment of this Act, add a categories for deed fraud to the Uniform Crime Reporting Program.

(g) United States Sentencing Commission.—The United States Sentencing Commission, shall, not later than 90 days after the date of the enactment of this Act promulgate guidelines or amend existing guidelines to provide sentencing enhancements for offenses that involve deed fraud.

(h) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2023 through 2027.

(i) Definitions.—In this section:
(1) **Covered Organization.**—The term “covered organization” means each of the following:

(A) A legal services organization;

(B) a non-profit organization, or a State, Tribal, or local government agency that develops laws, policies or programs designed to prevent, detect, deter and remedy deed fraud and related issues; and

(2) **Journal.**—The term “journal” means—

(A) a record of notarial acts that is created and maintained by a notary public; or

(B) all journals of notarial acts created and maintained by a notary public

(3) **Legal Services Organization.**—The term “legal services organization” means—

(A) an accredited law school;

(B) a public provider of legal aid or legal services; or

(C) a nonprofit provider of legal aid or legal services.

(4) **Low-Income Individual.**—The term “low-income individual” means an individual with a household income that does not exceed 80 percent of the median income of the area in which such individual resides, as determined by the Secretary.
(5) DEED FRAUD.—The term “deed fraud”
means forgery, impersonation, or willful misrepre-
sentation of authority in connection with the execu-
tion of a written instrument transferring an interest
in real property.

(6) WRITTEN INSTRUMENT TRANSFERRING AN
INTEREST IN REAL PROPERTY.— The term “written
instrument transferring an interest in real property”
includes any deed, mortgage, satisfaction of mort-
gage, contract of sale, assignment or termination of
any of the foregoing, or any other instrument which
does or may evidence, create, transfer, terminate or
otherwise affect a legal right or interest in real prop-
erty, or is required for the filing of a deed, including
a notarial certificate, with an agency of a State or
any political subdivision, public authority or public
benefit corporation of a State.