



TACIR

The Tennessee Advisory Commission
on Intergovernmental Relations



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MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard
Executive Director

DATE: 30 January 2026

SUBJECT: Public Chapter 941, Acts of 2024 (Real Estate Fraud)—Final Report for Approval

The attached commission report is submitted for your approval. It was prepared in response to Public Chapter 941, Acts of 2024, which directed the commission to study

- the prevalence of real estate fraud in Tennessee,
- the different schemes used to perpetrate real estate fraud,
- the methods used by other states to combat real estate fraud, and
- the best practices for local government officials in registering documents related to real estate transactions.

It also directed the commission to suggest statutory revisions designed to reduce the risk of real estate fraud for property owners in this state. The report was presented to the commission for approval at its September 2025 meeting. Three recommendations, which remain unchanged, were presented: requiring training for notaries, strengthening requirements related to notarizations and notary records, and giving registers of deeds the authority to have real estate documents reviewed when they suspect documents are fraudulent.

Commission members voiced concerns at the September meeting that the report did not include a recommendation for registers of deeds to require identification from individuals who present documents in person to record transfers of real property, something that was originally proposed in the legislation that became Public Chapter 941. While other states have passed laws to require identification before recording real

estate documents, there has not been much interest shown by Tennessee registers of deeds to adopt the practice. The Shelby County Register of Deeds told commission staff that the county would be open to participating in a pilot program to test an ID-requirement if one is established, but other registers in the state have shared concerns about liability and safety and questions about the details of implementing such a policy.

For the report presented for approval at the December 2025 commission meeting, staff added two new recommendations to the report: one to authorize a pilot program for registers of deeds to require identification from individuals seeking to file documents in person and by mail, and the second to define specific offenses for deed theft and real property fraud within the state's criminal code. The report failed to receive the required two-thirds majority of present voting members and further action was tabled until today's meeting.

Based on the discussion at the December meeting and additional feedback from the Shelby County Register of Deeds and others, staff has prepared an alternative pilot program recommendation that would only be authorized for Shelby County. This narrower alternative to the recommendation presented in December would authorize the register of deeds in Shelby County to require identification only from individuals seeking to record documents in person, suggests an end date for the pilot program, and specifies that identifying information copied or recorded would be kept confidential except for use in a criminal investigation or court proceeding.

The full language of this alternative recommendation is as follows:

To give officials in Shelby County the ability to explore policies intended to address deed fraud within the county's jurisdiction, and to help evaluate the implementation and effectiveness of these policies for consideration by other counties in the future, **the commission recommends that the General Assembly establish a Shelby County Identity Verification Pilot Program. Under the recommended program, the Shelby County Register of Deeds would be authorized to**

- 1. require government-issued photo identification from any individual who presents a deed or other instrument purporting to convey real property interest for registration in person (with exceptions for attorneys, mortgage lenders, and other real estate professionals),**
- 2. record a copy of the identification presented with the instrument in the official record book, and**

3. refuse to record the instrument if the required forms of identification are not provided.

The county could also be authorized to utilize third-party analysis and identity proofing technologies to validate credentials. Under the recommended program, identifying information copied or recorded would be kept confidential except for use in a criminal investigation or court proceeding. The county register would be required to provide notice on their official public website that they are participating in the Identity Verification Pilot Program, along with details of the program's requirements.

The General Assembly should also determine a period for which the pilot program would be authorized. To allow adequate time for implementation and data collection, the commission suggests that the program end no sooner than December 31, 2027. After the pilot program has expired, the county register shall submit a report containing the following information to the General Assembly:

- The number of individuals who presented a deed or other qualifying instrument in person for recording
- The types of identification cards produced in connection with the presentation of deeds or other qualifying instruments for recording
- The numbers of exceptions granted for attorneys, mortgage lenders, and other real estate professionals
- The total number of instruments recorded by other means, including mail and electronic records
- Information on whether the program led to the identification of anyone attempting to fraudulently convey real property and the outcome of any criminal charges or civil actions brought against those individuals
- Any other information the register deems necessary, including recommendations to improve the program and whether it should be continued