

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5002-01
Bill No.: SB 756
Subject: County Government; Fees
Type: Original
Date: February 12, 2018

Bill Summary: This proposal modifies certain provisions relating to county recording fees.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Mississippi County Recorder of Deeds Office** assume this proposal could have an impact on this office if this bill isn't passed. That impact could be as much as \$45,000.00 to \$49,000.00 dollars for the county general revenue. Should the "Statutory County Recorder's Fund" run dry then the impact would cost this county the amounts that was previous talked about. The Mississippi County Recorder's Office annual budget is in the neighborhood of \$70,000, so this would have a huge impact in the event that this fund should run dry. Back in 2002 several counties elected to split the offices of Circuit Clerk and Recorder of Deeds with the promise that the State would help subsidize those offices. This bill will not allow the counties to get their full subsidy, but will allow the counties to be able to continue receiving some support from the state.

Oversight inquired the Mississippi County Recorder of Deeds Office. If this proposal is enacted, there will be a decrease in the amount of subsidies received from the state for the County. The decrease would be a small impact to the County between \$5,000 and \$7,000 per year. Oversight assumes that multiple counties could be affected from this legislation. Oversight also assumes the reduction in losses to counties will be less than under current law. Therefore, Oversight will reflect an unknown reduction in loss to County Recorder of Deeds Offices.

Officials at the **Department of Revenue** assume no fiscal impact from this proposal.

Officials at **St. Louis County** assume no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
COUNTY FUNDS			
<u>Reduction</u> - Recorder of Deeds - modifying provisions of county subsidies on recorder fees	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON COUNTY FUNDS	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The act creates a new process to occur when the annual average collected into the Statutory County Recorder's Fund is insufficient to meet its obligations. In that case, the fund is to be supplemented by another source or a new maximum county allocation is to be set, depending on whether the shortfall meets a certain threshold.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Mississippi County Recorder of Deeds Office
Department of Revenue
St. Louis County

Ross Strobe



Acting Director
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