

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4235-02
BILL NO.: SB 946
SUBJECT: Recorder of Deeds: Fees
TYPE: Original
DATE: February 11, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

State Tax Commission officials assume no fiscal impact.

The **Greene County Recorder of Deeds** assumes this proposal would require the addition of a cover sheet, which will cause another \$3.00 per page fee to be added to the overall recording fee. If proper procedures are not followed penalties could be assessed. Officials assume no fiscal impact to Greene County.

The **Callaway County Recorder of Deeds** stated that this proposal would require instruments filed to have a cover page. Any additional fees collected would go to the County General Revenue Fund.

The **Cass County Recorder of Deeds** assumes this proposal would provide standardization for Recorders. Officials stated there could be an insignificant increase in paperwork and fees, however, officials assume no fiscal impact.

The **County Employee's Retirement Fund** officials stated that the number of document filings would be about 75% of the current level. This would be offset by the additional \$2.00 fee. The net effect would be a net increase in revenue of approximately 8.3% for their fund. Officials estimate additional revenues of \$550,000 in FY2001; \$555,000 in FY2002; and \$560,000 in FY2003.

Oversight assumes there would be an increase in revenue to the General Revenue Funds of counties from fees. Recorder of Deeds would be allowed to charge a \$5.00 fee for documents filed with no cover sheet, and for recording documents immediately which are not in compliance a fee of \$50.00 would be charged.

Oversight assumes any increase in fee revenue would go to the County's General Revenue Fund. Any increase in revenue would depend upon the number of filings in the Recorder's office. Since filings vary annually the amount of increase, if any, is indeterminable and will be shown as unknown. The requirement of documents having a cover sheet begins January 1, 2001.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (6 Mo.)	FY 2002	FY 2003
<u>Income to County General Revenue Fund from Recorder of Deeds Fees*</u>	Unknown	Unknown	Unknown

***The County Employee's Retirement Fund is not a political subdivision of the State of Missouri, therefore fiscal impact to their Fund is not included.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act creates a new standard format and requires a cover sheet for documents handled and recorded by a County Recorder of Deeds. This act also establishes new rates for handling and recording certain documents. The new standard document format applies to the St. Louis City Recorder of Deeds, but the fees for services remain the same.

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

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State Tax Commission
Cass County Recorder of Deeds
Greene County Recorder of Deeds
Callaway County Recorder of Deeds
County Employee's Retirement Fund

NOT RESPONDING

The Recorder of Deeds of: Boone, Marion, Monroe, Atchison, Jasper, Stoddard, Phelps, Franklin, Buchanan, Vernon, Camden, Lincoln, Jackson, and St. Louis City.

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
February 11, 2000