

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 1073 HCS

**SHORT TITLE:** Register of Deeds – Fees/Instrument Standards

**SPONSOR(S):**

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b>\$ Millions</b>				
	<b><u>FY 2001-02</u></b>	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>	<b><u>FY 2004-05</u></b>	<b><u>FY 2005-06</u></b>
<b>REVENUES</b>					
<b>General Fund</b>			<b>* No General Fund Impact *</b>		
<b>Local Governments</b>	<b>\$6.8</b>	<b>\$13.5</b>	<b>\$13.5</b>	<b>\$13.5</b>	<b>\$13.5</b>
<b>EXPENDITURES</b>					
<b>Automation Enhancement Fund</b>			<b>* See Assumptions and Methodology *</b>		
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Local Registers of Deeds, County Governments.					
<b>EFFECTIVE DATE:</b> January 1, 2001 for Section 6, July 1, 2002 for Section 5, January 1, 2002 for the remainder of the bill.					

**BILL SUMMARY:** Section 1 of the bill increases many of the fees charged by Registers of Deeds throughout the State. The impacted fees include those for general registration or filing, deeds of trust and mortgages, marriage licenses, plats, registration of birth certificates, amendments to birth or death records, legitimations, certified copies of birth and death certificates, certified copies of marriage licenses, certified copies, comparing copies for certification, qualification of a notary public, and the fee for filing a non-standard document. Section 2 of the bill requires that 10% of the proceeds from these fees be set aside annually and placed in a nonreverting Automatic Enhancement and Preservation Fund. The monies in that fund are to be used to purchase computer and imaging technology in the office of the Register of Deeds and other county land record offices. Section 3 changes the fee for a written certificate when a grave is moved from \$1.00 per page to the fee for recording instruments in general (\$12.00 for the first page and \$3.00 for subsequent pages). Section 4 applies this same fee for filing instruments in general to filing a blank or master form of mortgage. Section 5 clarifies that the Register of Deeds must determine that all statutory and locally adopted prerequisites for recording have been met before the instrument is registered. This section also sets the format guidelines for documents and authorizes the Register of Deeds to charge the non-standard document fee. Section 6

clarifies that the Register of Deeds should not charge the Department of Transportation for right-of-way plans.

**ASSUMPTIONS AND METHODOLOGY:** The bill impacts both the revenue and expenditures of local governments. Because these funds are all held locally the bill has no impact on the State.

**REVENUES:**

Sections 1, 3, and 4 all make changes to the fees charged by Registers of Deeds. The current and proposed fees are as follows:

<b>Action</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
Instruments in General	\$ 6.00	\$ 12.00
First Page		
Subsequent Pages	\$ 2.00	\$ 3.00
Deeds of Trust, Mortgages		
First Page	\$ 10.00	\$ 12.00
Subsequent Pages	\$ 2.00	\$ 3.00
Marriage Licenses	\$ 40.00	\$ 50.00
Issuing License		
Delayed Certificate w/copy	\$ 5.00	\$ 20.00
Corrections	\$ 5.00	\$ 10.00
Plats	\$ 3.00	\$ 5.00
Certified Copies		
Register Birth Certificate	\$ 5.00	\$ 10.00
Birth to reg. in another county		
Papers prepared in another county	\$ 5.00	\$ 10.00
Same County	\$ 10.00	\$ 20.00
Amend Birth or Death Record	\$ 2.00	\$ 10.00
Legitimations	\$ 7.00	\$ 10.00
Cert. Copies, birth, death, marriage	\$ 3.00	\$ 10.00
Cert. Copies - Other	\$ 3.00	\$ 5.00
First Page		
Subsequent Pages	\$ 1.00	\$ 2.00
Comparing for Certification	\$ 2.00	\$ 5.00
Qualification of Notary Public	\$ 5.00	\$ 10.00
Nonstandard Document	\$ -	\$ 25.00
Certificate when grave moved	\$ 1.00	\$ 12.00
First Page		
Subsequent Pages	\$ 1.00	\$ 3.00
Filing Blank or Master Mortgages	\$ 5.00	\$ 12.00
First Page		

Subsequent Pages	\$	-	\$	3.00
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The Register of Deeds Association recently surveyed its members to determine the potential revenue impact of this bill. The responses of the 70 counties who answered the survey indicate that their counties will earn an additional \$10.7 million in revenues annually.

<b>County</b>	<b>Revenues</b>	<b>County</b>	<b>Revenues</b>
<b>Alamance</b>	\$198,658	<b>Jones</b>	\$14,000
<b>Alexander</b>	\$42,146	<b>Lee</b>	\$72,114
<b>Anson</b>	\$33,468	<b>Lenoir</b>	\$83,716
<b>Beaufort</b>	\$104,149	<b>Lincoln</b>	\$99,395
<b>Bertie</b>	\$26,702	<b>Macon</b>	\$77,145
<b>Bladen</b>	\$40,354	<b>Martin</b>	\$47,330
<b>Burke</b>	\$134,287	<b>Mecklenburg</b>	\$1,695,306
<b>Cabarrus</b>	\$208,740	<b>Mitchell</b>	\$18,670
<b>Camden*</b>	\$14,164	<b>Montgomery</b>	\$33,936
<b>Carteret</b>	\$131,502	<b>Moore</b>	\$164,428
<b>Caswell</b>	\$38,314	<b>Nash</b>	\$139,946
<b>Chatham</b>	\$77,824	<b>New Hanover</b>	\$355,592
<b>Cherokee</b>	\$48,270	<b>Orange</b>	\$175,294
<b>Chowan*</b>	\$23,150	<b>Pasquotank</b>	\$128,390
<b>Cleveland</b>	\$161,671	<b>Pender</b>	\$103,220
<b>Columbus</b>	\$71,200	<b>Perquimans*</b>	\$17,544
<b>Cumberland</b>	\$591,538	<b>Randolph</b>	\$167,855
<b>Currituck*</b>	\$47,634	<b>Richmond</b>	\$65,454
<b>Dare*</b>	\$156,520	<b>Rockingham</b>	\$137,722
<b>Duplin</b>	\$57,278	<b>Rowan</b>	\$213,327
<b>Durham</b>	\$188,388	<b>Rutherford</b>	\$57,586
<b>Forsyth</b>	\$556,517	<b>Sampson</b>	\$159,512
<b>Franklin</b>	\$72,724	<b>Scotland</b>	\$50,201
<b>Gaston</b>	\$313,618	<b>Stokes</b>	\$38,244
<b>Gates</b>	\$11,959	<b>Transylvania</b>	\$98,120
<b>Graham</b>	\$27,870	<b>Tyrrell</b>	\$5,589
<b>Granville</b>	\$77,561	<b>Union</b>	\$221,248
<b>Greene</b>	\$17,013	<b>Vance</b>	\$74,299
<b>Guilford</b>	\$655,484	<b>Wake</b>	\$1,027,352
<b>Halifax</b>	\$65,840	<b>Washington*</b>	\$15,157
<b>Harnett</b>	\$120,196	<b>Watauga</b>	\$93,732
<b>Haywood</b>	\$106,974	<b>Wilkes</b>	\$110,580
<b>Hertford</b>	\$31,500	<b>Wilson</b>	\$115,666
<b>Hyde</b>	\$10,764	<b>Yadkin</b>	\$41,718
<b>Iredell</b>	\$273,486	<b>Yancey</b>	\$30,657
		<b>Totals</b>	\$10,687,508

Applying the average revenue increase from the reporting counties to the non-reporting counties creates a total estimate of \$14.7 million (\$10.7 + \$4.0). However, because the non-reporting counties are generally smaller, less populous counties, a lower combined estimate of \$13.5 million is used. The FY 2001-02 estimate is adjusted to account for the delayed effective date.

Because it is unclear how many non-standard documents will be filed no fiscal estimate is available on the revenue impact of Section 5.

Section 6 clarifies that the county Register of Deeds should not charge a fee to the Department of Transportation for right-of-way plans. This is already set out in the Roads and Highway statutes (G.S. 136-19.4) and took effect January 1, 2001. As such, this section has no fiscal impact.

### **EXPENDITURES**

Under Section 5 of the bill 10% of the proceed of the fees listed in G.S. 161-10 are to be dedicated to computer and technology purchases through the Automation Enhancement and Preservation Fund. Because Fiscal Research is not aware of how much is currently earned under G.S. 161-10 we cannot accurately estimate the total amount that must be dedicated to the fund. As such, no fiscal estimate is possible. However, it should be noted that the bill explicitly states “nothing in this section shall be construed to affect the duty of the board of county commissioners to furnish supplies and equipment to the office of the Register of Deeds”.

### **FISCAL RESEARCH DIVISION 733-4910**

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**DATE:** June 3, 2001



**Signed Copy Located in the NCGA Principal Clerk's Offices**