

# Vermont Legislative Joint Fiscal Office

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## *FISCAL NOTE*

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### **H.526 An act relating to town clerk recording fees and town restoration and preservation reserve funds – Draft 1.1**

<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0526/H-0526%20As%20Introduced.pdf>

#### **Overview**

This bill adjusts fees for municipal town clerks based on a recommendation from the Vermont Municipal Clerks' and Treasurers' Association and the Vermont League of Cities and Towns – a portion of this fee increase will be allocated to a Restoration and Preservation Reserve Fund. *There is no state fiscal impact as the fees adjusted solely fund municipalities.*

#### **Background**

In the 2018 Legislative session Act 155 required that the Vermont Municipal Clerks' and Treasurers' Association (VMCTA) and the Vermont League of Cities and Towns (VLCT) submit a report providing information on fees collected at the local level and any request for fee adjustments that are established via legislation. This report is due every three years starting in 2019.

#### **Bill Summary**

H.526 responds to the fee recommendation provided in the 2019 *Consolidated Town Fee Report and Report* raising fees for town clerk recording services and the record search fee associated with examination of town records. The recording fees were last increased in 2009.

	Current Fee	Proposed Fee
Standard land record	\$10/page	\$15/page - \$4/page allocated to the Restoration and Preservation Reserve Fund
Property Transfer Tax Return	\$10 flat	
Mylar (Map filings)	\$15/sheet	\$25/page - \$4/page to RPF
Record Search Fee (Vault Fee)	\$2/hour	\$4/hour

In addition to the proposed fee increases the bill requires that each town establish a Restoration and Preservation Reserve Fund. Four dollars per page of the increased recording fees will be allocated to the fund. The monies in this fund will be used solely for the restoration, preservation and digitization, storage and conservation of municipal records. The Clerks' and Treasurers' Association and the League of Cities and Towns report committee also requested this mandate.

The bill further requires that future *Consolidated Town Fee Report and Requests* will contain the amount of money collected and spent from each town's Preservation and Restoration Fund in the three prior fiscal years. The report will also include a summary of each town's plan to digitize records using the funds.

Section three and four of the bill requires land surveyors to submit a digital copy of *survey plats* - a map or plan of one or more parcels - to the Vermont Center for Geographic Information (VCGI). The Board of Land Surveyors and VCGI will have the authority to establish a digital survey standard for the digitized survey plats. Section five requires that a survey plat is recorded and provided when the boundaries of a parcel are changed or the parcel is subdivided.

Finally sections seven and eight adjust miscellaneous recording procedures, requiring the town to bear the cost of returning an original document and requiring the town clerks to record and process data within three days of receipt of both the document and fee.

The town clerk fees, fee report changes and miscellaneous fee recording procedural adjustments will go into effect July 1, 2019. The amendment adding the requirement for digitized survey plats will go into effect July 1, 2020.

### **Fiscal Summary**

Any new revenues from the proposed fee changes will go solely to municipalities that provide the document recording and filing services. None of the revenues will go to the State general fund or any other special fund. In some cases municipal clerks are funded primarily or solely through fees, in some cases the fees go into a municipal operating fund. Currently many but not all municipalities have active restoration funds. The Legislature will be able to monitor the now mandated Preservation and Restoration fund through the *Consolidated Town Fee Report and Request* submitted every three years.

The revenue impact to the municipalities was not estimated for this fiscal note. Information on the fiscal impact for municipalities can be found in the 2019 Consolidated Town Fee Report and Report.

*There is no direct state fiscal impact.* In response to the mandate for digitized survey plats VCGI indicated that it would in fact help streamline the process of collecting survey data and they do not predict a fiscal effect on their office, if anything it may save money in the long run.

<b>H.526 Fee Changes</b>						
Row #	Statutory Reference	Fee Description	Year last changed	Current Fee	Proposed Fee	Fund of Deposit
1	32 VSA §1671(a)(1)	Recording of a trust mortgage deed	2009	\$10.00 per page	\$15.00 per page	Municipal (\$4 of fee shall go to town's restoration reserve fund)
2	32 VSA §1671(a)(2)	Filing or recording a copy of a complaint to foreclose a mortgage	2009	\$10.00 per page	\$15.00 per page	Municipal (\$4 of fee shall go to town's restoration reserve fund)
3	33 VSA §1671(a)(4)	Examination of Town Records	Unknown	\$2.00/hour	\$4.00/hour	Municipal
4	32 VSA §1671(a)(6)	Recording or filing, or both, of any document that is to become a matter of public record in a town clerk's office or any certified copy	2009	\$10.00 per page	\$15.00 per page	Municipal (\$4 of fee shall go to town's restoration reserve fund)
5	32 VSA §1671(a)(6)	Recording or filing, or both, of a property transfer return	2009	\$10.00	\$15.00	Municipal (\$4 of fee shall go to town's restoration reserve fund)
6	32 VSA §1671(a)(8)	Survey Plats	2009	\$15.00 per sheet	\$25.00 per sheet	Municipal (\$5.00 of fee shall go to town's restoration reserve fund)