

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **Sub. H.B. 525** DATE: **June 6, 2008**

STATUS: **As Reported by House Local & Municipal Government and Urban Revitalization** SPONSOR: **Rep. Combs**

LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**

CONTENTS: **To establish standard format requirements for recorded documents**

State Fiscal Highlights

STATE FUND	FY 2009	FY 2010	FUTURE YEARS
Ohio Housing Trust Fund (Fund 6460) – Department of Development			
Revenues	Potential negligible gain	Potential negligible gain	Potential negligible gain
Expenditures	- 0 -	- 0 -	- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2009 is July 1, 2008 – June 30, 2009.

- If the bill results in additional county recorder fees, the Ohio Housing Trust Fund (Fund 6460), administered by the Department of Development, may receive some small amount of new revenue from the share of fees that county recorders must remit to this fund.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2008	FY 2009	FUTURE YEARS
County Recorders			
Revenues	Potential minimal gain	Potential minimal gain	Potential minimal gain
Expenditures	- 0 -	- 0 -	- 0 -

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- County recordation fees are based on the number of pages in the document to be recorded. If the new formatting requirements in the bill lengthen some recorded documents, county recorders could realize a minimal gain in recording fee revenue.



Detailed Fiscal Analysis

The bill standardizes the format of certain documents submitted to a county recorder's office for recordation. The fee for recorded documents is based on the number of pages they contain. The fee for a one or two page document is \$28.00. Any additional pages require an additional fee of \$8.00 per page. By having the new margin requirement set forth in the bill, a document may extend beyond the first two pages and require the additional \$8.00 fee. Of this amount, \$4.00 is to be remitted to the Department of Development's Ohio Housing Trust Fund (Fund 6460) to support low and moderate-income housing construction and related programs.

The formatting standards in the bill would apply primarily to the filing of deeds and mortgages. Most deed filings do not extend beyond one page, and most mortgages are filed on Fannie Mae or Freddie Mac forms in standardized format of fewer than two pages. As a result of the new formatting requirements in the bill, most of these forms would still not extend beyond two pages. The bill also permits separate instruments that convey or affect an interest in crude oil or natural gas, such as a lease, assignment, easement, lien, or right-of-way, to be combined into a single instrument. This would likely reduce the number of documents filed. Overall, any additional filing fees collected by county recorders and deposited in the Housing Trust Fund would be minimal.

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