



Ohio Legislative Service Commission

Joseph Rogers

Fiscal Note & Local Impact Statement

Bill: S.B. 124 of the 128th G.A.

Date: November 16, 2009

Status: As Passed by the Senate

Sponsor: Sens. Faber & Schiavoni

Local Impact Statement Procedure Required: No — No local cost

Contents: Transfer on death designation

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

LOCAL GOVERNMENT

FY 2010 – FUTURE YEARS

Counties (probate division of courts of common pleas)

Revenues

- 0 -

Expenditures

Potential savings effect, annual magnitude uncertain

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

- If, as intended, the bill improves the efficiency of processing matters involving the transfer of interest in real property through a transfer on death instrument, then the probate division of courts of common pleas may realize some savings in their annual operating costs, the magnitude of which is problematic to quantify in terms of dollars and cents.

Detailed Fiscal Analysis

Overview

The bill changes the process by which property may be transferred upon the death of an individual. More specifically, the bill changes the transfer on death designation instrument from a deed to an affidavit, and allows an individual who owns real property or any interest in real property as a survivorship tenant to execute a transfer on death designation affidavit.

Under existing law, any person who owns real property or any interest in real property may create an interest in the real property transferable on death by executing and recording a deed conveying that person's entire, separate interest in the real property to one or more individuals, and designating one or more other persons, identified in the deed by name, as transfer on death beneficiaries.

State and local fiscal effects

Political subdivisions. Based largely on discussions with staff of the Ohio State Bar Association, it appears likely that the primary effect of the bill will be to streamline the processing of matters handled by the probate division of the courts of common pleas that involve the transfer of interest in real property through a transfer on death instrument. The potential resulting savings effect for any given probate division is rather problematic to quantify, but would involve some level of administrative savings in court time and expense related to greater efficiency in the processing of cases.

State government. The bill will not directly affect the revenues and expenditures of the state.