

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: SCSHB 108(FIN)
 (S) Publish Date: 5/6/01

Revision Date/Time (Note if correction): 05/06/2001
 Title: DNR Recording Fees

Dept. Affected: Natural Resources
 BRU: Information/Data Mgt
 Component: Recorder's Office/UCC

Sponsor: Rules by Request of Governor
 Requester: (H) FIN

Component Number: 802

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services						
Travel						
Contractual	75.0	75.0	75.0	75.0	75.0	75.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	75.0	75.0	75.0	75.0	75.0	75.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	(2,392.2)	(2,392.2)	(2,392.2)	(2,392.2)	(2,392.2)	(2,392.2)
1037 GF/Mental Health						
1156 Receipt Supported Services	2,467.2	2,467.2	2,467.2	2,467.2	2,467.2	2,467.2
TOTAL	75.0	75.0	75.0	75.0	75.0	75.0

Estimate of any current year (FY2001) cost: none

Check this box (X) if funding for this bill is included in the Governor's FY2002 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation will switch the funding source for the Recorder's Office from 1005/General Fund Program Receipts to 1156/Receipt Supported Services category. There will be no operational change as a result of this legislation.

\$75.0 Increase in Operational Costs:

The component continues to place increased emphasis on the critical need to preserve its historic records dating back to the 1800's. At the same time the component is moving into newer technologies and applications that will make access to new recordings faster and easier than it has ever been before. Both of these demands are draining existing component resources to unprecedented levels.

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ANALYSIS: (continued)

Repetitive status quo operational funding over a number of years, coupled with significant increases in

Repetitive status quo operational funding over a number of years, coupled with significant increases in contractual and supply costs, has required the component to forego or limit expenditures in several areas, including equipment maintenance and repairs, postage, archiving, and equipment replacement. Due to such cost increments and increased demands for the component's services, the component will not be able to continue status quo operations into FY02 without added funding.

DNR has requested a fund source change in FY02 relating to the accounting and appropriation of fees for recording and related services provided by the component. The change would allow the component's program receipts to be accounted for separately and would allow for more appropriate budgeting for the needs of the department. This fiscal note reflects an increase of \$75.0 over the Governor's budget request for this component. This additional funding is necessary to cover the component's increased operating expenses in a number of areas related to technology and records preservation – the two major forces currently impacting the component's operations. Specifically, this increase includes:

\$20.0 to cover increased lease costs associated with acquisition of additional historical records from various magistrate offices throughout the state and to cover space needs for thousands of plat mylars that are expected to be returned to the component for permanent storage; and to cover off-site records storage and cost associated with accessioning permanent film records to State Archives.

\$30.0 to cover increased maintenance costs for reader/printers and other equipment in recording offices throughout the state;

\$20.0 to cover increased postage and courier expense;

\$5.0 to cover increased phone line expense to support WAN connections in all recording offices statewide;

All of these expenditures are necessary for continuation of basic recording functions as mandated by statute. This increase is necessary to facilitate the component's basic mission: to provide and maintain a secure and impartial place of record for legal documents affecting real and personal property in the manner prescribed by Alaska law and to protect, preserve and enhance the permanent public record for the benefit of present and future generations.