

HB

108

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

MAY 06 2001

SENATE FINANCE
COMMITTEE

DATE: 5/4/01

FURTHER:

DATE TURNED
IN TO OFFICE:

6 May 2001

Finance Committee considered **HOUSE BILL NO. 108**

HB 108 DEPT NATURAL RESOURCES RECORDING FEES

"An Act relating to the accounting for and appropriation of fees for recording and related services by the Department of Natural Resources; and providing for an effective date."

and recommends:

be replaced with _____ CS _____ (_____)

adopt previous _____ CS _____ (_____)

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to _____ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical title

new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DNR	5/6/01	75.0		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			(X)	
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>	✓			

MAY 06 2001

SENATE FINANCE
COMMITTEE

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SCSHB108(FIN)

() Publish Date: _____

Revision Date/Time (Note if correction): 05/06/2001 Dept. Affected: Natural Resources

Title: DNR Recording Fees 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.

..... continued on next page

Prepared by: Sharon Young Phone 269-8882
 Division: Support Services Date/Time 06-May-01
 Approved by: Pat Pourchol Date 06-May-01
 Agency: Natural Resources

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ANALYSIS: (continued)

Relative 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.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF THE COMMISSIONER

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SPONSOR STATEMENT

HB108 – Recorder's Office switch to Receipt Supported Services Funding

- This Legislation is patterned after last year's HB418 in which similarly situated programs were switched to a Receipt Supported Service Funding Source (such as Licensing, and Banking & Securities, and Corporations,).
- This legislation does NOT set up a dedicated Fund – it sets up an account within the General Fund and it will still require the Rec. Office to submit it's annual Operating and Capital Budgets for Legislative appropriation.
- The Fiscal Note will switch \$2,392,2 in GF/Program Receipts to Receipts Supported Services and allow for a \$150.0 increase to pay for Facility Lease cost, postage, equipment maintenance, etc.
- This bill will provide for a stable funding source from the fees paid by the customers of the Recording Office.
- SB29(CIP) includes \$225.0 for Rec. Office Receipt Supported Services – Equipment and Filming. Without this legislation this needs to be switched to GF Program receipts.
- The Annual Revenues are ~\$4.0 million a year while direct appropriations to the Recorder's Office in the Operating Budget are \$2.4 million GFPR.

SENATE COMMITTEE REPORT

DATE: 5/1/01

FURTHER: Finance

DATE TURNED
IN TO OFFICE: 5/3/01

Resources Committee considered HOUSE BILL NO. 108

DEPT OF NATURAL RESOURCES RECORDING FEES

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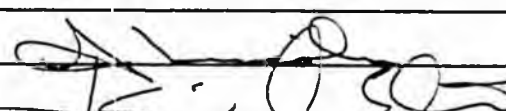
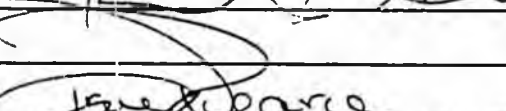
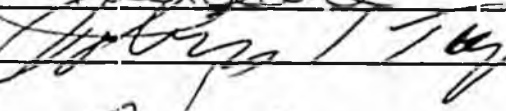
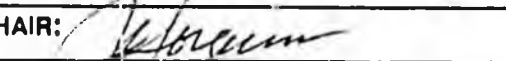

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
DNR	11/13/00	✓		1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
	✓			
	✓			
	✓			
	✓			
CHAIR: 	✓			