

REVENUE IMPACT OF PROPOSED LEGISLATION

74th Oregon Legislative Assembly
2007 Regular Session
Legislative Revenue Office

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| Bill Number: | HB 3551-A |
| Revenue Area: | Document Fees |
| Economist: | Mary Ayala |
| Date: | 6/19/2007 |

Measure Description: Establishes a \$15 document recording fee, subject to exceptions for federal mining claims that must be recorded annually, for certain warrants that are recorded by the Department of Employment; and judgments if they are duplicates that are recorded in more than one county. Requires that county clerks collect the fees derived from the new \$15 recording fee and deposit these fees into the County Assessment and Taxation Fund for transfer directly to the Housing and Community Services Department (HCSD). Assigns use of the new fees to specific housing-affordability programs administered by the HCSD. Takes effect October 1, 2007.

Revenue Impact:

| \$ millions | 2007-08 | 2008-09 | 2007-09 Biennium | 2009-11 Biennium |
|------------------------|---------|----------|---------------------|---------------------|
| State General Fund | 0 | 0 | 0 | 0 |
| State Other Funds | \$12.91 | +\$18.95 | +\$31.86 | +\$40.31 |
| Local Government | 0 | 0 | 0 | 0 |
| Local School Districts | 0 | 0 | 0 | 0 |

Impact Explanation:

Data :

1. The number of recorded documents in FY0506 totaled 2,368,713 (source: Oregon Department of Revenue).
2. Housing start forecasts through FY1011 (source: DAS' March 2007 forecasts)
3. The estimated number of federal mining claims recorded annually= 20,000 (source: testimony provided by representatives of the miners during testimony on SB38).
4. The estimated number of warrants recorded annually by Oregon Department of Employment= 36,000 (source: Oregon Employment Department staff).
5. In 2006, for one large county, the share of recorded judgments and satisfactions of judgments that dealt with construction/contractors was roughly 4%.

Assumptions:

1. The number of recorded documents will increase annually over the forecast period by the % change in housing starts.
2. Growth in the number of recorded mining claims, employment related warrants, and judgments filed in multiple counties will remain constant over the forecast period.
3. Less than .5% of the construction-related judgments are recorded each year in more than one county. The number of other types of judgments and/or satisfactions recorded in multiple counties is minimal relative to the total number of documents that are recorded annually.

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