

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3357 - B

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Increases amount of fees charged and collected by county clerks to record or file certain real property documents.

Government Unit(s) Affected:

Counties, Housing and Community Services Department

Summary of Expenditure Impact:

	2017-19 Biennium	2019-21 Biennium
Other Funds	18,878,751	25,565,280
Total Funds	\$18,878,751	\$25,565,280
Positions	2	2
FTE	1.50	2.00

Summary of Revenue Impact

	2017-19 Biennium	2019-21 Biennium
Other Funds	18,878,751	25,565,280
Total Funds	\$18,878,751	\$25,565,280

Analysis:

Effective January 1, 2018 the bill will increase fee amounts charged and collected by county clerks, from \$20 to \$40, for certain document filing and recordings; furthermore, county tax collectors are exempted from paying this fee. Existing statute directs this fee to be credited to the County Assessment and Taxation Fund which is then distributed as follows to the Housing and Community Services Department (OHCS): 76% to the General Housing Account program (GHAP), 10% to the Emergency Housing Account (EHA), and 14% to the Home Ownership Assistance program (HOAP).

Total additional Other Fund (OF) revenues are projected to be \$18.9 million OF in the 2017-19 biennium and \$25.6 million OF in the 2019-21 biennium. Additional funding in the 2017-19 biennium will be distributed as follows: \$14.4 million to GHAP, \$1.9 million to EHA, and \$2.6 million to HOAP. This projection assumes that exempting county tax collectors from paying the filing and recording fees will result in a 5% revenue loss to the state, which is \$2.2 million in the 2017-19 biennium and \$3 million in the 2019-21 biennium.

Expansion of GHAP is anticipated to require a new permanent Loan Specialist 3 position to underwrite and close loans, negotiate with developers, and monitor construction of the developments at an estimated cost of \$154,293 OF (0.75 FTE) in the 2017-19 biennium and \$198,059 OF (1.00 FTE) in the 2019-21 biennium; as well as a permanent Compliance Specialist 2 position to monitor the increased volume of projects in the portfolio at an estimated cost of \$133,200 OF (0.75 FTE) in the 2017-19 biennium and \$168,767 OF (1.00 FTE) in the 2019-21 biennium. Additional funds for the EHA and HOAP programs will be added to the current grant award process and any additional administrative costs to OHCS, associated with the disbursement of these funds, are anticipated to be minimal and absorbable within existing budgetary parameters.

Counties will incur savings from exemptions from paying this fee, however counties also report that they will incur costs related to staff training, issuing fee change notifications to stakeholders, and website updates.