Pennsylvania Recorder of Deeds Association (PRODA)

SB 898 Amendment of Recorder of Deeds fee bill Outline of comments James M. Zugay, Esquire Dauphin County Recorder of Deeds/PRODA President 08/10/2022

A. PRODA'S POSITION

<u>PRODA's position on SB 898 is mixed.</u> While a majority of the 67 counties do not support the bill in its entirety, this bill would benefit some of the larger populated counties, while it could be detrimental to some of the smaller populated counties.

B. KEY PROVISIONS OF THE BILL

1. <u>Changes all documents filed in the Recorder of Deeds office to a flat rate fee of up to</u> <u>\$50.00.</u>

This fee does not include other statutory fees that vary from county to county such as:

Affordable Housing (13.00) JCS/AOPC fee (40.75) Uniform Parcel Identifier fee (ranges from 5.00 to 20.00 per parcel) Demolition/Blight fee (up to \$15.00).

- 2. <u>Changes current Recorder fees for documents over 4 pages in length and over 4</u> <u>names on the document.</u>
 - a. <u>Currently</u>, a Recorder may charge a per page fee of a document that is <u>5</u> pages or longer in length.
 - b. <u>SB 898</u> would only allow the Recorder to charge a per page fee if the document is over <u>50 pages</u> in length.
 - c. <u>Currently</u>, a Recorder may charge a per name fee for a document that contains more than 4 names.
 - d. <u>SB 898</u> would only allow the Recorder to charge a \$1.00 per name fee if the document contains more than 25 names.

- 3. <u>Prohibits a county from charging a rejection fee if the document submitted does not</u> <u>meet recording requirements.</u>
- 4. <u>Prohibits a county from charging a Uniform Parcel Identifier fee if the document</u> <u>contains more than 50 parcels of land.</u>
 - a. <u>Currently</u>, a Recorder may charge a per parcel fee on documents that contain 1 parcel or 1000 parcels.
 - b. <u>SB 898</u> would only allow the Recorder to charge up to 1000.00 without regard to how many parcels a document would contain.
- 5. <u>Permits the raising of the Affordable Housing fund fee from 13.00 to 50.00.</u>
 - a. <u>Currently</u>, the Affordable Housing fee that counties may charge is normally 13.00.
 - b. <u>SB 898</u> would allow the county to charge the same for affordable housing as the county charges for the document recording fee of up to 50.00

C. BENEFITS & CONCERNS WITH SB 898

- 1. SB 898 will allow each county to raise the fees on documents.
 - PRO---more revenue for the County
 - CON---higher cost for the taxpayer
 - Elk County example
 - 30 percent raise in fees at a minimum
 - 100 percent raise in fees at maximum

Fees to record a standard	d dee	d with a	sing	gle parce				_	
	CURRENT		NEW					W	orst Case
Base Recording Fee	\$	13.000	\$	50.000				\$	50.000
Affordable Housing Fee	\$	13.000	\$	13.000		** Optional fee up to \$50		\$	50.000
County Rec Imp Fee	\$	2.000	\$	2.000				\$	2.000
Recorder Rec Imp Fee	\$	3.000	\$	3.000				\$	3.000
Demolition/Blight Fee	\$	-		\$ -		** Optional fee up to \$15		\$	15.000
JCS Fee	\$	40.250	\$	40.250				\$	40.250
Writ Tax	\$	0.485	\$	0.485				\$	0.485
Writ Tax Commission	\$	0.015	\$	0.015				\$	0.015
Parcel Fee	\$	20.000	\$	20.000				\$	20.000
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	\$	91.750	\$	128.750				\$	180.750

- 2. SB 898 will eliminate page and name counting for most documents.
- 3. SB 898 will not establish a set final fee to record documents across the Commonwealth. In other words, this is not a bill that makes fees predictable.
 - Each county will have the option to:
 - Charge <u>up to</u> \$50.00 base fee for a document.
 - Charge <u>up to</u> \$50.00 for the county Affordable Housing fund.
 - Charge <u>up to</u> \$15.00 for Demolition/Blight fund.
 - Charge <u>any</u> amount for every parcel on a document up to \$1000.00
 - Charge <u>any</u> amount for pages on a document that exceeds 50 pages.
- 4. SB 898 will hamper the revenues of smaller populated counties that record oil and gas leases.
 - Oil and gas leases are often recorded in smaller counties. These counties have a very small staff, sometimes one or two clerks. These clerks are presented with these leases, and they can be hundreds of pages long and have hundreds of names. Each name on a document must be typed in the Recorder's indexing system. This can take several days to type in these names. The clerk would be required to solely work on this large document and cannot assist in the other duties of the office.
 - Smaller counties rely on the revenue to fund their offices with documents that have large page and name counts.
 - Oil and gas companies will be getting a large break on recording fees for their large documents.
 - A resident buying a home will be charged the same fee for a document with four pages and four names as an oil and gas company who records a document with 50 pages and 25 names.
- 5. SB 898 deals with exempting the recoding of veteran's discharges, but 3 other documents may need to be addressed.
 - Notary bond and commissions (charges varies by county)
 - Subdivision plans (vary per county because of their large size)
 - Uniform Commercial Code documents (currently \$100)
- 6. Would this bill eliminate the collection of a writ tax of .50 that is charged on every document and remitted to the Dept. of Revenue?

D. SUMMARY

SB 898 will address the page and name fee difference among the counties in the Commonwealth for a majority of documents. However, recording fees across the Commonwealth will continue to vary because of the various additional ancillary fees that counties may charge and thus this could not be considered a predictable fee bill.

Our Association would love to continue working with the legislature in making fees more predictable to all consumers. We just want to make sure that the changes to our fee bill does so while protecting counties of larger and smaller populations.