

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 569

(Prince George's County Delegation)

Environmental Matters

Judicial Proceedings

Prince George's County - Recordation - Assessment Books
PG 405-04

This bill adds Prince George's County to the list of counties with a shortened recordation process. The Clerk of the Circuit Court for Prince George's County could record a deed or other document effecting a change in property ownership without first being submitted to the local office of the State Department of Assessments and Taxation (SDAT).

The bill authorizes the Clerk of the Circuit Court for Prince George's County, the Administrative Office of the Courts, SDAT, and the Prince George's County tax collector to formulate the procedure governing recordation under the bill to simplify the procedures for recordation while ensuring the integrity of the land and assessment records.

Fiscal Summary

State Effect: Potential minimal decrease in general fund expenditures due to a streamlined deed recordation process in Prince George's County. Any cost savings for SDAT due to increased productivity cannot be reliably estimated but are assumed to be minimal.

Local Effect: Shortening the recordation process in Prince George's County would not materially affect county finances or operations.

Small Business Effect: Minimal.

Analysis

Current Law: Generally, a deed or other instrument that effects a change of ownership of real property may not be recorded until the property is transferred on the assessment books or records of the county where the property is located.

When submitting the deed or other instrument for transfer on the assessment books, the person offering the instrument, on request, must mail or deliver a statement of any building and improvement on the property granted. When the property is transferred on the assessment books, the person recording the transfer must evidence the transfer on the deed or other instrument. This endorsement is sufficient to authorize recordation by the clerk of the appropriate circuit court.

In Baltimore, Carroll, Cecil, Charles, Dorchester, Harford, Howard, Montgomery, St. Mary's, Washington, and Worcester counties, the clerk of the circuit court may record an instrument that effects a change of ownership if the instrument is: (1) endorsed with the tax collector's certificate from the appropriate county; and (2) accompanied by a complete intake sheet and a copy of the instrument, and any survey, for submission to SDAT.

Background: Currently, there is a three-step process to record a deed or other instrument effecting a change in title in Prince George's County. The instrument must be presented first to the county finance office, second to SDAT's local assessment office, and finally to the clerk of the circuit court. The bill would eliminate the second step in the recordation process, thereby shortening the process in Prince George's County.

State Fiscal Effect: SDAT advises that there were 28,785 real property transfers in Prince George's County during fiscal 2002 and another 26,978 transfers in fiscal 2003. Only about 10% (5,576) of these have some other value assessment and would still require a trip to the assessment office. The remaining 90% would be able to skip this step in the recordation process.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Department of Assessments and Taxation, Prince George's County, Department of Legislative Services

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Analysis by: Ryan Wilson

Direct Inquiries to:
(410) 946-5510
(301) 970-5510