

**Department of Legislative Services**  
 Maryland General Assembly  
 2002 Session

**FISCAL NOTE**

House Bill 906 (Chairman, Judiciary Committee)  
 (Maryland Judicial Conference)

Appropriations

**Circuit Court Real Property Records Improvement Fund - Funding and Duration**

This bill raises the maximum surcharge from \$5 to \$10 for each type of recordable instrument to be recorded among the land records and financing statement records. The bill also repeals the associated sunset provision.

**Fiscal Summary**

**State Effect:** Revenues to the Circuit Court Real Property Records Improvement Fund could increase by an estimated \$5.2 million in FY 2003. Future years assume a steady rate of instruments recorded.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$5,246,800	\$5,246,800	\$5,246,800	\$5,246,800	\$5,246,800
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$5,246,800	\$5,246,800	\$5,246,800	\$5,246,800	\$5,246,800

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** Potential meaningful. Small businesses that record instruments among the land records and financing statement records may be assessed a higher surcharge.

## Analysis

**Current Law:** The State Court Administrator may establish a surcharge not to exceed \$5 for each type of recordable instrument to be recorded among the land records and the financing statement records. The circuit court clerk's office in each county must collect the surcharge. Receipts from the surcharge must be placed in the Circuit Court Real Property Records Improvement Fund. These surcharge provisions sunset on June 30, 2006.

**Background:** The Circuit Court Real Property Records Improvement Fund is a special fund used to repair, replace, improve, modernize, and update office equipment and equipment-related services in the land records office of each circuit court clerk's office.

**State Revenues:** The Administrative Office of the Courts advises that in fiscal 2001, there were 1,049,368 instruments recorded among the land records. Increasing the surcharge on these instruments from \$5 to \$10 (assuming that the maximum surcharge is set as the surcharge) would accordingly result in an estimated revenue increase of \$5,246,840 to the Circuit Court Real Property Records Improvement Fund. Assuming that the number of instruments would remain constant in out-years, future year revenues reflect the same increase.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 511 (Chairman, Judicial Proceedings Committee) (Maryland Judicial Conference) - Judicial Proceedings.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2002  
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