

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 139 (Delegate Holmes)
 Environmental Matters

New Residential Real Property - House Location Plat Requirements -
 Recordation

This bill requires a vendor of newly constructed residential real property to complete and present to the purchaser at settlement a house location plat. The plat must comply with standards established by the State Board of Professional Land Surveyors. The plat must also delineate, identify, and describe the purpose of: (1) all easements on the subdivision plat; and (2) easements otherwise known to the vendor or surveyor. All easements must be dimensioned with measurements indicated. The vendor must record the plat with the clerk of the appropriate circuit court, and the clerk must accept, index, and record the plat.

Fiscal Summary

State Effect: Filing fee revenues would increase by approximately \$142,500 annually from plats recorded under the bill. Of this, approximately \$71,250 would be general fund revenues and \$71,250 would be special fund revenues. Any increase in the workload of the clerks of the courts could be handled with existing resources.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
GF Revenue	\$71,250	\$71,250	\$71,250	\$71,250	\$71,250
SF Revenue	71,250	71,250	71,250	71,250	71,250
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$142,500	\$142,500	\$142,500	\$142,500	\$142,500

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: No provision specifically requires the seller of newly constructed residential real property to provide the purchaser with a plat. However, a boundary survey plat signed and sealed by a surveyor may be recorded in the land records, which are maintained by the clerks of the circuit courts. A subdivision plat must also comply with any prior review and approval otherwise required by law. To be acceptable for recordation, subdivision plats must comply with prescribed requirements. The clerk of the circuit court must: (1) fasten a copy of each plat in a book provided for that purpose; or (2) record the plat. The clerk must also send a copy to the county's supervisor of assessments and one to the State archivist.

Before a surveyor issues a plat to a client or submits it to a public authority, the surveyor who prepared it must endorse it. A public authority may not accept a plat unless it is endorsed by the surveyor.

If the builder of a new single-family residential unit is not finished with construction at the time of sale, the vender or builder must comply with specified bonding requirements.

Background: For existing single-family residential real property, but not the initial sale of the property, the seller must complete and give to the purchaser a written disclosure or disclaimer statement about the condition of the property before executing the contract of sale. A disclaimer statement must state that the purchaser will be receiving the property "as is." A disclosure statement must include information, if the seller has actual knowledge, about land use matters, among other required information.

State Revenues: The Administrative Office of the Courts advises that the fee for recording a plat is \$5 per page, of which \$2.50 is special fund revenue for the State Archives for maintaining plat records and \$2.50 is credited to the general fund. It is estimated that approximately 28,500 new homes will be constructed in the State annually for the next several years. It is assumed that each house plat recorded under the bill would be no more than one page. Based on this, the State would receive approximately \$142,500 annually in recordation fees under the bill. Of this amount, \$71,250 would be special fund revenues attributable to the State Archives and \$71,250 would be credited to the general fund.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - January 25, 2005
mp/jr

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