

FISCAL NOTE

Bill/Resolution No.: _____ Amendment to: SB 2119

Requested by Legislative Council _____ Date of Request: January 27, 1999

Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

Narrative: Philosophically, the Secretary of State (SOS) believes the revenue the state receives from the Central Indexing System (CIS) should cover the general fund appropriation for the operation of the CIS.

For the 1999-2001 biennium, the line charges for the connection between the SOS office and the County Register of Deeds will be increased by \$300,000 to approximately \$375,000. This is an increase of 500% over the current biennium. This increased expense is reflected in the Governor's general fund budget recommendation to the legislature for the SOS office.

However, with these increased line charges, the appropriated general funds to cover the expense of operating the CIS will substantially exceed the revenue that is received into the state's general fund. As it is now, the expense of operating the CIS exceeds revenue by approximately \$130,000 and this will continue into the next biennium. Therefore, the increase in filing fees from \$5 to \$10 (as proposed in this bill) is intended to offset both the deficit and the increased line charges for the next biennium. Also, the SOS office would increase by \$1 the share of each filing fee returned to the counties (the counties now receive \$2 of each \$5 filing fee).

Based on average monthly filings of 4,400 since July of 1993, the increase of \$5 is projected to generate \$528,000 (\$422,400 for the state and \$105,600 for the counties) during the next biennium.

2. **State fiscal effect in dollar amounts:**

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	None	None	422,400	None	422,400	None
Expenditures	None	None	430,000	None	430,000	None

3. What, if any, is the effect of this measure on the budget for your agency or department:

- a. For rest of 1997-99 biennium: None
(Indicate the portion of this amount included in the 1999-2001 executive budget:)
- b. For the 1999-2001 biennium: \$430,000
(Indicate the portion of this amount included in the 1999-2001 executive budget:)
- c. For the 2001-03 biennium: \$430,000

4. **County, city, and school district fiscal effect in dollar amounts:**

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
None	None	None	\$ 105,600	None	None	\$ 105,600	None	None

Signed: _____
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 Department: Secretary of State
 Phone Number: 328-2900
 Date Prepared: January 27, 1999