

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 486

PRINTER NO. 987

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

February 13, 2015

PRIME SPONSOR

Senator Argall

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 486 amends the Recorder of Deeds Fee Law (Act 87 of 1982) to authorize an additional fee to be used for demolition of blighted properties.

The legislation establishes a county demolition fund in each county that authorizes imposition of the fee under this act.

Senate Bill 486 provides that the governing body of a county may, by ordinance or resolution, authorize the recorder of deeds to charge and collect a fee not to exceed \$15 for each deed and mortgage recorded. The fee shall be deposited into the county demolition fund to be used exclusively for the demolition of blighted property located in the county.

The act shall take effect in 60 days.

FISCAL IMPACT:

Senate Bill 486 will have no fiscal impact on Commonwealth funds.

Senate Bill 486 authorizes, but does not require, the imposition of a fee not to exceed \$15 for each deed and mortgage recorded by a recorder of deeds. To the extent that a county opts to impose the fee, money will be deposited into a newly established demolition fund for the demolition of blighted property located in the county.

Under unrelated, existing law, the Pennsylvania Department of Revenue collects fees imposed on certain transactions conducted by county recorders of deeds. Information reported by the Department of Revenue shows that in calendar year 2013, 353,562 deeds were recorded and 577,438 mortgages were recorded in counties throughout the Commonwealth. Therefore, if the maximum \$15 fee allowed by Senate Bill 486 had been imposed on these 931,000 transactions, counties would have generated nearly \$14 million in 2013 to be used for demolition of blighted properties across the state.