



VERMONT MUNICIPAL CLERKS' & TREASURERS' ASSOCIATION

April 24, 2018

H. 899

From: Karen Richard, Chair of the Legislative Committee for VMCTA
Colchester Town Clerk/Treasurer
(802) 264-5525
krichard@colchestervt.gov

Brief background:

The VMCTA was established in 1935. Today, our membership is comprised of 330 clerks, treasurers and assistants from 142 cities/towns. The organization provides education and training and encourages a higher degree of professionalism around the State. We have an Executive Board of eleven members which are elected at our Annual Meeting. We mentor new clerks and host a listserv as a medium for exchanging ideas. Most clerks are elected, and may come to the office with experience or not.

H. 899 is threefold. It proposes to change the structure of the recording fees. It also proposes to put the clerk fees on a 3 year cycle, like other state agencies. And lastly, it mandates that towns establish a restoration fund of \$10 per document for the preservation, computerization and purchase of software and hardware related to the records.

It has been 10 years since the clerk fees have increased. We understand there is a moratorium on fee increases. We are here because recording fees are not keeping up with the expenses associated with recording documents. In the last 10 years many clerks have implemented computerized land record systems. There are hardware and software costs, as well as microfilming, restoration of maps etc. The archival paper and the leather bound volumes have increased in cost, as well as salaries and benefits. For a number of clerks the fees are their salary and they have been without an increase for 10 years.

There are only 2 other states, Connecticut and Rhode Island, that accept land recordings at the local level. All other states record documents at a county office. We have spent extensive time talking with them to understand how small towns as well as large cities are able to afford microfilming, and computerizing their records. They explained that the fee needs to reflect the costs, so a larger amount is charged for the first page as that is where the information is reviewed, received for the record with the date stamp, a volume and page is affixed and the indexing information is obtained. The additional pages are copied or scanned.

A committee of clerks from a variety of towns (small and large population) spent the last 2 years surveying the clerks. Approximately 40 towns submitted recording data that spanned from a month to 6 months so that a formula could be developed that increases the fees for clerks on fees, an increase to the general fund and create a restoration fund for future needs.

The clerks' initial proposal was \$40 for first page/\$5 for additional pages. Although it seems a hefty increase for the first page the reduction for the additional pages resulted in large documents paying less than they do today; but it reflected where the costs are. The House passed the bill with \$25 for the first page/\$8 for the additional

pages. That proposal resulted in a clerk on fees receiving less salary every time they receive a document that is more than 3 pages. The average document is 4 pages.

The Senate Gov Ops voted out of committee \$20 for the first page/\$15 for each additional page, as well as other miscellaneous changes to various documents. We are grateful for the thought and consideration that has been given to this drastic change in how we do business.

The attached exhibits demonstrate the clerk's position.

- Exhibit 1 – are the fee schedules for Connecticut and Rhode Island, which receive documents at the local level; as well as other surrounding states. Vermont purchases products from the same vendors and contract with the same land record companies to host our land record systems electronically. Our costs are very similar.
- Exhibit 2 – a sampling of the 40 towns and how the different proposals affect their revenues. We included a small volume town, a large volume, a town with a clerk on fees, as well as a town that does not reserve restoration funds.
- Exhibit 3 – My personal data: We purchased a new home in December. This reflects the number of pages, what the fee was and what it would be with the different proposals from a resident consumer's point of view. The \$220 fee was a fee paid by us to the bank at the closing, and reflected as part of our closing costs. Included are what the costs would be to file same documents in Connecticut and Rhode Island.

Thanks for consideration of H.899. We believe the new structure will more accurately reflect the costs and allow future increases to be developed from an analytical approach rather than an increase per page.