

To: Senate Government Operations
 From: Carol Dawes, Barre City Clerk
 chair, Vermont Municipal Clerks & Treasurers Association Legislative Committee
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H.526 CLERK FEE BILL

VMCTA has been working with a variety of partners on the clerk fee bill, with an eye towards increasing recording fees, creating restoration & preservation funds, and clarifying some of the more frequent questions and inconsistencies around land records.

Act 155 of the 2017 – 2018 legislative session called for a report from the Vermont Municipal Clerks and Treasurers Association and the Vermont League of Cities and Towns every three years beginning in 2019 that provides information on recording fees collected at the local level and any request for increases in fees that are established in statute. The first such report was submitted in January of this year, and was the basis for this bill. The report was presented to Senate GovOps on January 23, 2019, and is included in your online files.

We worked closely with a consortium of interested parties and stakeholders on drafting the bill, including VMCTA, VLCT, VT Bar Association, VT Realtors Association, VT Attorneys Title Corporation, and members of the House Government Operations committee. Each group brought their ideas to the table and the resulting bill represents many hours of negotiation, compromise and agreement. We certainly benefited from having so many different people and organizations involved, and the resulting bill is stronger for the collaborations.

Below is a summary of the sections of the bill. All page number and section references are to the official version of the bill as passed by the House:

Page #	Sec.	Subsection	Changes
2	Sec. 1	32 VSA §611	Expands the scope of the three year clerk report included in Act 155 to include information on fees collected in the restoration & preservation fund, work done with that money, and each town’s ongoing and/or future plans for digitization of land records.
3	Sec. 2	32 VSA §1671	Recording fees increase from \$10/page to \$15/page, with the exception of property transfer tax returns (PTTR), which increase from \$10/document to \$15/document. Last increase was 10 years ago.
3	Same	Same	Fees for research time in the vault increases from \$2/hour to \$4/hour.
4	Same	Same	Fees for recording surveys (plats) increases from \$15/plat to \$25/plat.
4	Same	Same	What is currently referred to in statute as the restoration fund is expanded to be called the restoration and preservation fund (RPF), and use of the money is expanded to include digitization and storage of records. The fund is currently voluntary and dependent upon approval by the selectboard, which can set the fee between 50 cents and a dollar per recorded page. New language would make the fund mandatory, and sets the amount at \$4/recorded page.

4	Same	Same	In response to feedback from clerks who have healthy balances in their restoration funds, language has been included in the bill that allows those clerks to certify on an annual basis that they do not need to set aside funds for that year. Such certification would be sent to House Government Operations annually. This allows the clerks – not selectboards – to control the amount of money necessary to restore, preserve, conserve, digitize, and store their records.
5	Same	Same	Unspent money in the RPF is to be carried over from year to year, to be available for use in future years, rather than rolling into the general fund at the end of the year.
5	Same	Same	There’s clarifying language about recording multiple items listed on a single sheet of paper, i.e. mortgage releases. The recording fee would be per release, not per sheet of paper. This codifies legal opinions from the VT Attorney General’s office.
5	Sec. 3-5	27 VSA §1401, 1403 & 341	New plats for subdivisions or boundary adjustments must be filed in the town records (mylar copy) and the Vermont Center for Geographic Information (digital copy). The Center shall maintain digital copies in a statewide repository available to the public. The copy filed in the town records is considered the official record. These sections of the bill wouldn’t go into effect until January 1, 2020.
8	Sec. 6	32 VSA §5895	Clarifying language about receipt of liens. The Vermont Tax Department switched to an electronic format for filing liens a few years ago. They upload the liens into a portal, and clerks must go to the portal to print off the lien. There’s been confusion on when the document is considered recorded. Is it when VDT uploads it to the portal? Or when the clerk prints it? The new language says it’s considered recorded once the clerk indorses it (date & time stamps it).
8	Sec. 7	24 VSA §1154a	Clarifying language that requires towns to cover the costs to return documents after recording. There are discrepancies between towns as to whether return envelopes or postage paid envelopes are required. This standardizes the practice across all towns.
9	Sec. 9	24 VSA §1159	There is clarifying language about receipt of documents for recording. The clerk must date/time stamp (indorse) the document and enter it into a daybook or index within 3 days of receipt. It’s searchable at this point, which was the main concern of many of the other people involved in drafting the bill (lawyers, realtors). There are exceptions to the three day timeline for good cause, such as illness or absence of the clerk.

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