

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0422-01
Bill No.: HB 309
Subject: Banks and Financial Institutions: Housing; Insurance - Property
Type: Original
Date: February 6, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Office of State Courts Administrator, and the Department of Economic Development - Division of Finance and Division of Credit Unions** state that this proposal will no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal establishes a process by which a title insurer may file a certificate of release of a mortgage or deed of trust, if the title insurer receives no written objection from the lender. The title insurer must send a notice of intention to file a certificate of release to the lender by certified mail. The lender will then have 90 days to file a written objection. The proposal sets forth the form of the release, as well as what information must be included. A release that is complete and executed properly will be prima facie evidence of the facts which it contains. The proposal applies to security instruments that are satisfied before the effective date of the proposal, as long as the title insurer complies with the requirements of the bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance
Office of State Courts Administrator
Department of Economic Development
Division of Finance
Division of Credit Unions



Mickey Wilson, CPA
Director
February 6, 2003