



SF 626 – Groundwater Hazard Statement (LSB2240SZ)
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Fiscal Note Version – New (Same as Fiscal Note for SF514)

Description

[Senate File 626](#) modifies the recording requirements for groundwater hazard statements. Currently, groundwater hazard statements are required to be submitted to the county recorder with any deed, instrument, or writing for which a declaration of value is required under Iowa Code chapter [428A](#). Under this Bill, a groundwater hazard statement would not need to be submitted to the county recorder if there was no known private burial site, well, disposal site for solid waste, underground storage tank, hazardous waste, or private sewage disposal system disclosed in the groundwater hazard statement. The county recorder is directed to collect a fee of \$12 with each groundwater hazard statement submitted pursuant to the revised subsection.

Background

- Currently and historically, county recorders have not been collecting fees for groundwater hazard statements. However, the Iowa County Recorders Association, in consultation with legal counsel, determined this lack of recording fees was an error and the association informed stakeholders in September 2018 that county recorders would begin charging fees as prescribed by law beginning July 1, 2019.
- Iowa Code section [331.604](#) established recording fees at a rate of \$5 per page, \$1 per document for the public record management fund, and \$1 per document for the e-commerce fund.
- In 2018 there were approximately 93,700 groundwater hazard statements filed, totaling 242,744 pages.

Assumptions

If the number of documents and pages remain consistent, under current law counties in aggregate could anticipate approximately \$1.2 million in fee revenues that would be considered property tax relief as the fees would reduce the General Fund dollars needed for operating the county recorder offices. Counties could also anticipate \$93,700 for both the record management fund and the e-commerce fund.

It is estimated that between 40.0% and 50.0% of groundwater hazard statements would not need to be submitted to county recorders under this Bill.

Fiscal Impact

Under the proposed changes in [SF 626](#), counties would collect an estimated \$562,000 to \$674,000 annually. Compared to the system currently scheduled to take effect on July 1, 2019, this would be a reduction of approximately \$727,000 to \$839,000 per year.

Source

Iowa State Association of Counties

/s/ Holly M. Lyons

April 18, 2019

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
