Agenda Item No: 18.A



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** November 7, 2019

Staff Contact: Aubrey Rowlatt, Carson City Clerk-Recorder and Ben Johnson, Deputy District Attorney

Agenda Title: For Possible Action: Discussion and possible action regarding a Business Impact

Statement concerning a proposed ordinance amending Title 2 of the Carson City Municipal

Code (CCMC) to impose an additional \$6 fee on the recording of certain documents. (Aubrey Rowlatt, ARowlatt@carson.org and Ben Johnson, BJohnson@carson.org)

Staff Summary: NRS 237.080 requires that Carson City prepare a Business Impact Statement when a new ordinance is proposed. The proposed ordinance, if adopted, will increase the fee for recording certain documents with the Carson City Clerk-Recorder's office by \$6.00. The fee was authorized by the Nevada Legislature in 2017 and the proceeds are used to support legal services for abused and neglected children.

Agenda Action: Formal Action / Motion Time Requested: 10 mins

Proposed Motion

I move to to accept the Business Impact Statement as prepared and find that the proposed ordinance does not impose a direct and significant economic burden on a business or directly restrict the formation, operations, or expansion of a business.

Board's Strategic Goal

Efficient Government

Previous Action

None

Background/Issues & Analysis

In 2011, the Nevada Legislature adopted legislation allowing counties to impose a fee of up to \$3.00 for the recording of documents with the county recorder. In 2017, the Legislature amended this provision to increase the optional fee to \$6.00. The proceeds from this fee go to organizations providing legal services for abused and neglected children. Carson City has not previously imposed this fee. The proposed fee will apply to the recording of documents with the Carson City Clerk-Recorder's office with the exception of certificates of marriage and declarations of value of property. The new fee would be effective January 1, 2020.

On September 18, 2019 notice was provided to the Carson City Downtown Business Association, Carson City Chamber of Commerce and Nevada Realtors Association. A copy was also posted on the Clerk-Recorder's website and made available to customers at the front counter of the office. It was requested that any comments or arguments that the fee increase would impose a significant economic burden on a business or directly restrict the formation, operation or expansion of a business be submitted to the Clerk-Recorder by October 10, 2019. To date, the City has received no comments in favor of or opposed to the fee increase.

A copy of the Business Impact Statement, along with the appeal petition form, is available at the public counter of the Clerk-Recorder's Office, 885 East Musser Street, Ste. 1028, Carson City, Nevada 89701.

Applicable	Statute.	Code.	Policy.	Rule	or R	Regulation

NRS Chapter 237

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: 1011080-441062 General Fund / Indigent Legal Fee NRS 247

Is it currently budgeted? No

(Vote Recorded By)

Explanation of Fiscal Impact: It is estimated that Carson City would collect an additional \$47,000 or more in FY 2020 based on the proposed \$6 fee increase.

Alternatives

Make a finding that the proposed ordinance does impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business.

Decline to make any findings and provide alternative direction to the Clerk-Recorder's Office.

Attachments: Business Impact Statement Record	er Fees.pdf	
Recorder Fee Proposed Fee Increase	Notice.pdf	
Board Action Taken: Motion:	1)	Aye/Nay



BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule***, as that term is defined in NRS 237.060, by the Carson City Board of Supervisors.

*** A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" **does not** include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City. A "rule" also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

ORDINANCE OR ACTION PROPOSED FOR ADOPTION

AN ORDINANCE RELATING TO THE CARSON CITY CLERK-RECORDER; AMENDING TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE CARSON CITY MUNICIPAL CODE TO ADD A NEW CHAPTER 2.45 (FEES ON DOCUMENT RECORDING TO SUPPORT LEGAL SERVICES FOR ABUSED OR NEGLECTED CHILDREN) TO ESTABLISH AN ADDITIONAL FEE FOR THE RECORDING OF CERTAIN DOCUMENTS BY THE CARSON CITY CLERK-RECORDER; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO.

1. The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:

a. Notice

On September 18, 2019, the Carson City Clerk-Recorder sent a letter and a copy of the draft ordinance to the Carson City Downtown Business Association, Carson City Chamber of Commerce, and Nevada Association of Realtors. A copy was also posted on the Clerk-Recorder's website on carson.org and made available at the front counter of the office for members of the general public. The letter informed them of the proposed changes to the code and requested comments or arguments as to whether the proposed fee would impose a direct

Rev. May/2016 Page 1

and significant economic burden upon a business or directly restrict the formation, operation or expansion of business be submitted by October 10, 2019.

Summary of comments received.

The City has received no comments to date regarding the proposed ordinance or increase in fees.

- 2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:
 - a. Adverse effects:
 - In addition to a state mandated \$2 fee, the proposed ordinance would impose an additional \$6 on the recording of certain documents. Beginning January 1, 2020, a total increase of \$8 will be imposed on recording for most documents.
 - b. Beneficial effects:
 - The proceeds from the proposed fee increase will go to supporting legal services for abused and neglected children in the community.
 - c. <u>Direct effects</u>:
 - The proposed ordinance will directly increase the fees paid by customers of the Clerk-Recorder's office on the recording of certain documents by \$6.
 - d. Indirect effects:
 - The proposed fee increase may allow the City to off-set the cost of a contract with Washoe Legal Services to provide representation and services for abused and neglected children in Carson City.
- 3. The methods considered by the Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:

N/A

4. Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action:

The Clerk-Recorder's Office does not anticipate any additional costs to Carson City associated with the increased fee.

5. The total annual amount of money expected to be collected as a result of the

Rev. May/2016 Page 2

new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:

- In 2018, 7,819 documents would have been subject to the recording fee.
- The number of recordings in 2019 has increased.
- It is estimated that Carson City would collect approximately \$47,000 or more in 2020 based upon the proposed \$6 fee increase.
- 6. The proposed ordinance or action [] DOES [X] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.
- 7. The reasons for the conclusions regarding the impact of the proposed ordinance or action on businesses:

Although the ordinance will increase the fees for recording of certain documents, no comments or arguments were received indicating that this will impose a significant economic burden on business or directly restrict the formation, operation or expansion of a business. The fee will directly support legal services for indigent children who have suffered neglect or abuse.

8. Based on the information considered, it has been determined that this proposed ordinance or rule:
[] DOES [x] DOES NOT impose a direct and significant economic burden upon a business.
[] DOES [x] DOES NOT directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for inspection by Aubrey Rowlatt, Carson City Clerk-Recorder, at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Nancy Paulson, the Carson City Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.

Signature Date

Nancy Paulson
Printed Nama



Aubrey Rowlatt Carson City Clerk-Recorder

Office of the County Recorder 885 East Musser St., Ste. 1028 Carson City, NV 89701 Tele: 775.887.2260 Fax: 775.887.2146

September 18, 2019

NOTICE: EFFECTIVE JANUARY 1, 2020

Subject:

Notification of Proposed Ordinance to Add Fee to Recordation of Certain Documents to

Support Legal Services for Abused and Neglected Children

Dear Carson City Recorder's Office Customers:

The Board of Supervisors will consider an ordinance to amend the Carson City Municipal Code to impose an additional fee of \$6 on the recording of certain documents by the County Recorder. The additional fee supports legal services for abused and neglected children pursuant to an amendment to NRS 247.305 made by Senate Bill 305 of the 79th (2017) Session of the Nevada Legislature.

Under NRS 237.080, prior to adopting the ordinance, the City must make a concerted effort to determine whether the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. The draft ordinance may be further revised prior to introduction to the Board of Supervisors. A copy of the draft ordinance is enclosed for your review and comment.

If adopted, the ordinance will impose the additional \$6 fee on the recording of a document, instrument, paper, notice, deed, conveyance, map, chart, survey, or any other writing in the office of the County Recorder. The fee will not be imposed on the recording of the originally signed copy of a certificate of marriage; or the recording of a declaration of value in relation to deeds evidencing a transfer of title to real property. The ordinance will become effective January 1, 2020.

In addition to the above proposed increase, SB20 (2019 Legislative Session) was approved by the Legislature which mandates a \$2 increase to benefit the legal services for the indigent fund. In total, with the combined proposed above-referenced ordinance and the statutorily mandated increase, recording fees will increase to \$43 per document with the exceptions as stated above.

Please send your comments or arguments by October 10, 2019, in writing by email to Aubrey Rowlatt, Clerk-Recorder, at arowlatt@carson.org or by mail or hand delivery to the Carson City Clerk-Recorder's Office, 885 E. Musser St., Ste. 1028, Carson City, NV 89701.

Sincerely,

Aubrey Rowlatt

Clerk-Recorder

Enc: Draft Ordinance

Summary: Establishes a new fee for the recording of certain documents with the Carson City Clerk-Recorder to support legal services for abused and neglected children.

BILL NO	
ORDINANCE NO. 2019-	

AN ORDINANCE RELATING TO THE CARSON CITY CLERK-RECORDER; AMENDING TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE CARSON CITY MUNICIPAL CODE TO ADD A NEW CHAPTER 2.45 (FEES ON DOCUMENT RECORDING TO SUPPORT LEGAL SERVICES FOR ABUSED OR NEGLECTED CHILDREN) TO ESTABLISH AN ADDITIONAL FEE FOR THE RECORDING OF CERTAIN DOCUMENTS BY THE CARSON CITY CLERK-RECORDER; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO.

The Board of Supervisors of Carson City do ordain:

SECTION I:

That Title 2 (ADMINISTRATION AND PERSONNEL) is hereby amended by adding thereto a new chapter (**bold, underlined** text is added, [stricken] text is deleted) as follows:

<u>Chapter 2.45 – FEES ON DOCUMENT RECORDING TO SUPPORT LEGAL SERVICES FOR ABUSED AND NEGLECTED CHILDREN.</u>

SECTION II:

That Title 2 (ADMINISTRATION AND PERSONNEL), new Chapter 2.45 (FEES ON DOCUMENT RECORDING TO SUPPORT LEGAL SERVICES FOR ABUSED AND NEGLECTED CHILDREN) is hereby amended by adding thereto a new section (**bold**, **underlined** text is added, [stricken] text is deleted) as follows:

CCMC 2.45.010 - Document recording fee.

- 1. Except as otherwise provided in NRS 247.305, the Carson City Clerk-Recorder shall, in addition to any other fee the Clerk-Recorder is authorized to charge and collect pursuant to NRS, charge and collect a fee of \$6 for recording a document, instrument, paper, notice, deed, conveyance, map, chart, survey or any other writing.
- 2. The amount of fees collected pursuant to subsection 1 must be:

(a) Paid and remitted in the manner requi (b) Used to provide legal services for abus NRS 247.305.	ired by NRS 247.305; and sed and neglected children in accordance with
SECTION III:	
That no other provisions of Title 2 of ordinance.	the Carson City Municipal Code are affected by this
SECTION IV:	
This ordinance becomes effective on	January 1, 2020.
PROPOSED on	, 2019.
PROPOSED BY Supervisor	
PASSED	, 2019.
VOTE:	
AYES:	
ATES.	
NAYS:	
ABSENT:	
ATTEST:	ROBERT L. CROWELL, Mayor

AUBREY ROWLATT, Clerk-Recorder