Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR	Truj	illo, J.	ORIGINAL DATE LAST UPDATED	01/31/14	HB	77
SHORT TITI	Æ	No Duplicate Filing	gs With County Clerks		SB	

ANALYST Cerny

<u>REVENUE</u> (dollars in thousands)

	Recurring	Fund			
FY14	FY14 FY15		or Nonrecurring	Affected	
	Indeterminate	Indeterminate	Recurring	General Fund	

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Attorney General's Office (AGO) Secretary of State (SOS) Association of County Clerks (ACC)

SUMMARY

Synopsis of Bill

House Bill 77 (HB 77) amends Section 14-8-4 NMSA 1978 by deleting the provision allowing for permissive filing and recording of a duplicate of an instrument of writing as though it were an original. The deleted provision currently allows a duplicate (copy) to be recorded if the original was notarized.

FISCAL IMPLICATIONS

No fiscal impact noted in agency analysis.

House Bill 77 – Page 2

SIGNIFICANT ISSUES

Filings in offices of county clerks are almost without exception filings of original documents, many of which require "acknowledgment," generally notarization by a certified notary public. Since this statute was amended last year and went into effect, county clerks have been concerned about the validity of copies of original documents that currently are allowed to be filed. New technologies have made it increasingly difficult for clerks to distinguish actual from faked copies, opening the possibility for fraudulent filings. Similarly, title companies have expressed concern about insuring properties for which duplicate copies are filed.

The New Mexico County Clerk Affiliate organization has taken a position in support of this legislation. CCA analysis stated: "If passage is not granted all public documents recorded with the county clerk's office are in jeopardy of being altered/forged. Property owner's documents may be altered and falsely recorded therefore deeding property to a party not listed on the "Original" document. Not enacting this legislation will also force counties into litigation in the event forged/altered documents are recorded resulting in loss of taxpayers monies".

CAC/svb