

## Department of Planning and Budget 2007 Fiscal Impact Statement

**1. Bill Number** HB2062

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** McQuigg

**3. Committee** General Laws and Technology

**4. Title** Freedom of Information Act; Government Data Collection and Dissemination Practices Act; land records.

**5. Summary/Purpose:** Provides that the Freedom of Information Act does not apply to land records available via secure remote access but that such access is governed by certain provisions of the Government Data Collection and Dissemination Practices Act (see § 2.2-3800 et seq.). The bill provides requirements for posting land records via secure remote access to the Internet and requires, beginning July 1, 2010, that social security numbers not be contained in such documents. Judgments, however, will contain the last four digits of a social security number for identification purposes. The clerk is given the authority to reject documents that contain social security numbers and also is allowed to perform a global redaction of social security numbers from those documents filed before the 2010 deadline. The bill also allows the use of the Technology Trust Fund to pay for redaction. The bill clarifies that the clerk is to charge \$0.50 per electronic image for transmitting “papers or records” to go out of his office in the same manner that he charges \$0.50 per page for copying.

**6. Fiscal Impact Estimates are:** PRELIMINARY; See Item 8.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** Although an amount cannot be determined, any amount collected in support of copying costs would be deposited to the locality for appropriations to the clerk for copying costs. Any amounts exceeding the actual copying cost would go to the general fund (submitted along with the other clerks’ fees), and two-thirds of the excess (beyond what is reimbursed to the clerk for his budget) would be returned to the locality.

The substitute adds an enactment clause that eliminates the mandate for clerks to have redaction of records completed by July 1, 2010, if an appropriation of general funds to address the cost of redaction is not provided by the 2007 General Assembly.

The proposal also authorizes the use of the Technology Trust Fund (TTF) to reimburse clerks for costs incurred in the redaction of records. According to the Compensation Board, the cost of the localities’ redaction activity has been estimated at \$8.0 million by the redaction

workgroup. Over a three year period, the Compensation Board believes the TTF can absorb the \$8.0 million cost.

However, the Compensation Board cautions that a fiscal impact could occur if clerks complete redaction activities earlier than expected. According to the Compensation Board, clerks are having concerns about providing secure remote access to land records, presently due to be completed by July 1, 2008, without redaction being completed. Due to these concerns, clerks might possibly complete redaction earlier than expected. If this occurs, the TTF may not be able to support reimbursing the clerks in a one year period (instead of over three years). Compounding this issue is that revenue collections to the TTF have been lower in fiscal year 2007 than in previous fiscal years.

As a result of the possibility that the Technology Trust Fund might not be able to reimburse clerks for costs associated with redaction in a one-year period, language could be added to the appropriation act authorizing the State Comptroller to approve an anticipation treasury loan associated with the requirements of this legislation to be repaid by the TTF.

**9. Specific agency or political subdivisions affected:** State Compensation Board, localities statewide.

**10. Technical amendment necessary:** No.

**11. Other comments:** Similar to SB824.

**Date:** 02/01/07 / jgc

**Document:** G:\2007\EFIS\Posted\HB2062H1.DOC

cc: Secretary of Administration