

Proposed Homeowner Education Fund Fee Legislation
(Modeled after Remonumentation Fee Legislation)

Concept

- Levy an additional \$2 - \$4 fee on all documents recorded at County Registers of Deeds Offices except IRS, State Treasury, and County Treasurer tax liens and related documents.
- Use the revenue the fee generates to establish a Homeowner Education Fund at the County Level.
- Make grants from the fund to local HUD & MSHDA-certified Housing Agencies for the purpose of funding foreclosure prevention and other homeowner education counseling.
- A \$4 fee is estimated to generate approximately \$7 million per year (based on Remonumentation fee history)
- 10-year Sunset on the proposed law
- County Registers of Deeds collect the fee and remit to County Treasurer
- County Registers of Deeds keep 1.5% to cover administrative costs.
- Annually, County Treasurer and/or Commissioners or delegated advisory board awards grants to HUD & MSHDA-certified counseling agencies to fund foreclosure prevention counseling. (Each County establishes additional criteria in a way that will address either a county with multiple HUD & MSHDA certified housing agencies or one with no HUD & MSHDA-certified housing agencies but that is served by HUD & MSHDA certified agencies in an adjacent county)
- Use a portion of the fund to provide State Attorney General's office with more staffing to fight housing-related fraud and other scams.

Note: Will work with the Legislative Services Bureau to draft the bill. Our intent is not to do anything that will jeopardize the Register of Deeds Automation Fund. We don't think this will be a problem.