

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 476 (Second Edition)

SHORT TITLE: Vital Records Access/AB

SPONSOR(S): Reps. Hurley and Baddour

FISCAL IMPACT

Yes (X) No () No Estimate Available ()

FY 1997-98 FY 1998-99 FY 1999-00 FY 2000-01 FY 2001-02

REVENUES

Vital Records Automation Account (see **ASSUMPTIONS AND METHODOLOGY**)

General Fund

County Registers of Deeds

EXPENDITURES

General Fund (see **ASSUMPTIONS AND METHODOLOGY**)

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Department of Environment, Health and Natural Resources - State Center for Health Statistics ; County Registers of Deeds

EFFECTIVE DATE: The act is effective when it becomes law.

BILL SUMMARY: The bill expands the availability of certified birth or death records to a person's direct ancestor or descendant, stepparent or stepchild, or funeral director. The bill clarifies individual-specific birth records are not public records. When a County Register of Deeds uses the state database to issue a copy of a vital record or conduct a routine search of the files for a record, then a \$10 fee is charged with \$5 kept by the local agency and \$5 forwarded to the State Registrar for deposit into the Vital Records Automation Account. **The bill also expands the use of funds credited to the Vital Records Automation Account to include maintenance of the vital records automated system.**

BACKGROUND: From 1991 until March 1997, the nonreverting Vital Records Automation Account has received \$1,965,835. This account has been used to equip the Vital Records Section

with personal computers, to purchase and install an electronic birth registration system throughout the state, to install a system to issue computer-generated copies of birth certificates, and other automation uses. Receipts into this fund have been as follows:

FY 91-92	\$267,131
FY 92-93	\$352,214
FY 93-94	\$366,466
FY 94-95	\$363,985
FY 95-96	\$377,730
FY 96-97	\$238,310 (as of 3/1/97)

ASSUMPTIONS AND METHODOLOGY: The fiscal impact of this bill hinges on the implementation of an automated system for the statewide issuance of birth certificates. The system is scheduled for a pilot test in Harnett county next year. According to a Department of Environment, Health and Natural Resources (DEHNR) official, statewide access to birth certification would not be available until 3 years after the pilot testing. That would push statewide access to FY 2000-01. The automation of death, marriage, and divorce registration is not expected to be completed until FY 2006-07.

When county Register of Deeds are able to access the state database, every transaction will cost the consumer \$10, the same as it does today. The current \$10 is divided between the Vital Records Automation Account (\$5) and DEHNR receipts (\$5). **DEHNR receipts are currently used to support the personnel and operating costs of the state's Vital Records Registration program. In the future, when a county does the transaction, the \$10 will be divided between the county (\$5) and the Vital Records Automation Account (\$5). When transactions are performed on the state database on a regular basis by counties, then county revenues will increase, DEHNR receipts will be reduced, and the Vital Records Automation Account will be held harmless. The concern for DEHNR is that to maintain their Vital Records Registration program they may need to seek an increase in their General Fund appropriation or increase receipts to make up for the deficit due to lost transactions fees.**

DEHNR believes that expanding the access to vital records to grandparents, stepparents, stepchildren, as required in HB 476, will increase **revenues**. Alabama is used as an example where state revenues increased when access to vital records was expanded. Access may increase transactions, but it would seem that those transactions would occur where the customer has the easiest and fastest way to get the information and that would be at the County Register of Deeds. In the short term, **an increased number of transactions may affect the department's ability to absorb the impact of lost transaction receipts on the Vital Records Registration program. However, an increase in the number of transactions, whether performed by the state or by a county, will increase the revenue credited to the Vital Records Automation Account and will in the long term benefit the Vital Records Registration program. When revenues credited to the Vital Records Automation Account exceed the level required to automate and maintain the state's vital records system, any excess funds may be used to support the Vital Records Registration program in accordance with G.S. 130A-93.1(b), which limits the amount the amount credited to the automation account.**

FISCAL RESEARCH DIVISION

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PREPARED BY: Richard Bostic & Mona Moon

APPROVED BY: Tom Covington

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