

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 280

(Chair, Judicial Proceedings Committee)(By Request -
Departmental - Secretary of State)

Judicial Proceedings

Health and Government Operations

Notarial Acts - Protest Form Requirement - Repeal

This departmental bill repeals an obsolete provision that prohibits notaries public from signing and issuing a protest except in the form prescribed by the Comptroller. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None. Repealing the specified prohibition has no effect on State operations or finances.

Local Effect: None.

Small Business Effect: The Office of Secretary of State has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law/Background: Generally, notaries public witness the signing of documents and witness specified events. Before being appointed as a notary public, individuals must (1) be at least age 18; (2) be of good moral character and integrity; (3) live or work in Maryland; (4) have completed and passed a specified course and examination; and (5) be a resident of the senatorial district in which he or she is appointed or, if living outside the State, be a resident of a state that allows Maryland residents working in that state to serve as notaries. The term of a notary public commission is four years, and notaries public must

also complete and pass a course of study that covers the laws, regulations, procedures, and ethics relevant to notarial acts.

A notarial officer who makes or notes a protest of a negotiable instrument must make or note the protest in accordance with specified provisions established under the Commercial Law Article.

Generally, a protest is a certificate of dishonor of a negotiable instrument made by, among other individuals, a notary public. It may be made upon information satisfactory to the notary public. The protest must identify the instrument and certify either that presentment has been made or, if not made, the reason why it was not made, and that the instrument has been dishonored by nonacceptance or nonpayment. The protest may also certify that notice of dishonor has been given to some or all parties.

However, under the State Government Article, it is unlawful for any notary public to sign and issue any protest except in the form prescribed by the Comptroller. The Comptroller's Office and the Secretary of State advise that the specified form has never been created or used. Therefore, repealing this prohibition has no effect on State operations or finances.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Secretary of State; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2024
km/mcr Third Reader - February 21, 2024

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Notarial Acts – Protest Form Requirement – Repeal

BILL NUMBER: SB0280

PREPARED BY: Michael Lore

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

N/A.