

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE

Senate Bill 222 (Senator Kittleman)
 Judicial Proceedings

State Government - Notary Public - Appointment

This bill requires the Secretary of State to approve all applications for notary public appointments and eliminates the requirement that applications for notary public appointments be approved by State Senators representing the districts in which the applicants reside. It also repeals the requirement that, if living in the State, an individual appointed as a notary public be a resident of the senatorial district from which the individual is appointed.

Fiscal Summary

State Effect: General fund expenditures by the Secretary of State’s office could increase by \$40,700 in FY 2008. Out-years reflect annualization and inflation. No effect on revenues.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	40,700	55,400	58,100	61,100	64,200
Net Effect	(\$40,700)	(\$55,400)	(\$58,100)	(\$61,100)	(\$64,200)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: All applications for notary public commissions must be approved by the State Senator representing the senatorial district in which an applicant resides. If the

Senate seat for the district in which an applicant resides is vacant, any State Senator may approve the application. The Secretary of State approves applications only for notary public commissions from out-of-state applicants, which must also be approved by any State Senator. Once a notary public application is approved, the Governor appoints and commissions all notaries public.

State Expenditures: In fiscal 2006, the Secretary of State's office processed 25,403 notary public commissions. Of those, about half were new applications and the other half were renewals. Currently, the Secretary of State's office merely processes applications for new commissions that have been approved by State Senators representing the applicants. Under the terms of this bill, the Secretary of State's office would have to review all new applications to ensure that applicants met the qualifications for notaries public. This would include confirming that applicants were residents of Maryland, verifying their references, and in general establishing that the applicants were "of good moral character and integrity," as required by statute.

General fund expenditures could increase by an estimated \$40,655 in fiscal 2008, which accounts for the bill's October 1, 2007 effective date. This estimate reflects the cost of hiring one notary investigator to carry out the expanded duties for the Secretary of State's office. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salary and Fringe Benefits	\$35,997
Operating Expenses	<u>4,658</u>
Total FY 2008 State Expenditures	\$40,655

Future year expenditures reflect: (1) full salaries with 4.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: SB 28 of 2006, an identical bill, received an unfavorable report from the Judicial Proceedings Committee.

Cross File: None.

Information Source(s): Secretary of State, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2007
nas/rhh

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