Department of Legislative Services

Maryland General Assembly 2008 Session

FISCAL AND POLICY NOTE

Senate Bill 4

(Senator Simonaire)

Judicial Proceedings

Health and Government Operations

Notary Public - Fees

This bill increases the limit on fees for notary services that the Secretary of State may adopt by regulation from \$2 to \$3.

Fiscal Summary

State Effect: None. Fees for notary services are collected and kept by the notaries who provide the services.

Local Effect: None.

Small Business Effect: Minimal. Small businesses and individuals could pay slightly higher fees to have documents notarized. Revenues for individuals serving as notaries public could increase.

Analysis

Current Law: The Secretary of State is required to adopt regulations establishing fees for notary services that do not exceed \$2 per original notarial act. The regulations set fees of \$2 for the performance of an original notarial act and \$1 for each additional copy of the same document.

"Notarial act" is defined by regulation to mean any act that a notary public of this State is authorized to perform, and includes taking an acknowledgment, administering an oath or affirmation, acting as an official witness to the execution of a document, and noting a protest of a negotiable instrument.

Notaries public are appointed by the Governor upon the approval of their application by the Senator representing the senatorial district in which they reside. Applications by individuals who live outside of Maryland but work in the State may be approved by any Senator. Applicants pay a processing fee of \$20, which was raised from \$11 in 2003. Notaries must be at least 18 years of age, be of good moral character and integrity, and live or work in the State. Their commissions last for four years, after which they may apply for reappointment by the Secretary of State.

Background: There are currently 86,837 commissioned notaries in Maryland. Notary fees were last raised in 1982 to their current level of \$2. **Exhibit 1** provides information on notary fees in surrounding states.

Exhibit 1 Notary Public Fees in Maryland and Surrounding States

	Application <u>Fee</u>	<u>Term</u>	Notary Fee*	Bond <u>Required</u>
Maryland	\$20	4 years	\$2	None
Delaware	\$78	4 years	\$5	None
District of Columbia	\$50	5 years	\$2	\$2,000
Pennsylvania	\$40	4 years	\$5 for first document/ \$2 for each successive document	\$10,000
Virginia	\$45	4 years	\$5	None
West Virginia	\$52	10 years	\$2	None

^{*}Except in Pennsylvania, these fees apply to each notarial act. In Pennsylvania, this fee structure applies only to executing acknowledgements, the most common notarial act.

Source: Secretaries of State and notary handbooks from neighboring states

Additional Information

Prior Introductions: HB 916 of 2007, SB 332 of 2006, and SB 400 of 2005 would have raised notary fees from \$2 to \$4; HB 51 of 2005 would have raised notary fees from \$2 to \$5. HB 916 received an unfavorable report by the House Health and Government Operations Committee (HGO); SB 332 passed the Senate and was heard by HGO, but no SB 4/Page 2

further action was taken; and SB 400 passed the Senate and received a favorable with amendments report by HGO, but no further action was taken. HB 51 received and unfavorable report from HGO.

Cross File: None.

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

Fiscal Note History: First Reader - January 22, 2008

ncs/hlb

Analysis by: Michael C. Rubenstein Direct Inquiries to:

(410) 946-5510 (301) 970-5510