# **Department of Legislative Services**

Maryland General Assembly 2008 Session

### FISCAL AND POLICY NOTE

Senate Bill 424
Judicial Proceedings

(Senator Madaleno)

### Task Force to Study the Notary Commission Process

This bill establishes a Task Force to Study the Notary Commission Process, staffed by the Office of the Secretary of State. The task force must study the application process to become a notary, verification of citizenship requirements, improvements to background checks, testing requirements, and whether notary fees should be increased. A report with findings and recommendations is due to the Governor and the General Assembly by January 1, 2009.

The bill takes effect June 1, 2008 and terminates May 31, 2009.

## **Fiscal Summary**

**State Effect:** Any expense reimbursements for task force members and staffing costs for the Office of the Secretary of State are assumed to be minimal and absorbable within existing budgeted resources.

Local Effect: None.

**Small Business Effect:** None.

### **Analysis**

**Current Law:** 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.

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.

**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** 

	<b>Application Fee</b>	<b>Term</b>	Notary Fee*	<b>Bond Required</b>
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

<sup>\*</sup>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

Qualifications for Maryland notaries public are similar to those in three neighboring states, but less stringent than in Pennsylvania and the District of Columbia. While Maryland, Delaware, Virginia, and West Virginia do not require notaries public to complete any specialized training or pass any proficiency tests, the District of Columbia requires each notary applicant to pass a test of applicable rules and regulations before receiving a commission. Pennsylvania requires each applicant to complete a three-hour notary education course in the six months prior to submitting an application.

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Secretaries of State for Delaware, Maryland, Pennsylvania, Virginia, and West Virginia; District of Columbia; Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2008

mll/hlb

Analysis by: Michael C. Rubenstein Direct Inquiries to: (410) 946-5510

(301) 970-5510