

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 558

(Senators King and Peters)

Judicial Proceedings

State Government - Notary Public - Fees

This bill requires the Secretary of State to adopt regulations establishing fees not to exceed \$2 for each notarial act and authorizes a notary public to charge Internal Revenue Service (IRS) standard mileage rates and an hourly fee of \$15, or a higher amount set by the Secretary of State. The requirement that the Secretary of State set an appropriate lesser fee for other notarial acts and the authority of a notary public to charge a certain fee for travel are repealed.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: Minimal. Small businesses and individuals may pay higher fees to have documents notarized. Revenues for individuals serving as notaries public may 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 and an appropriate lesser fee for the repetition of that notarial act or to make a copy of the matter addressed by the original notarial act. A notary public may also charge \$0.19 per mile, or a higher amount set by regulation, and a fee of up to \$5 as compensation for travel.

Current regulations adopted by the Secretary of State set fees of \$2 for the performance of an original notarial act and \$1 for each additional copy of the same document and allow notaries to charge up to \$0.31 per mile and a fee not to exceed \$5 for travel required to perform a notarial act.

“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. 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 86,500 active 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 jurisdictions.

Exhibit 1
Notary Public Fees in Maryland and Surrounding Jurisdictions

<u>Jurisdiction</u>	<u>Application Fee</u>	<u>Term</u>	<u>Notary Fee¹</u>	<u>Bond Required</u>
Delaware	\$53-\$90	2-4 years	\$5	None
District of Columbia	\$50	5 years	\$2	\$2,000
Maryland	\$20	4 years	\$2	None
Pennsylvania ²	\$40	4 years	\$5	\$10,000
Virginia	\$45	4 years	\$5	None
West Virginia	\$52	10 years	\$2	None

¹Except in Pennsylvania, these fees apply to each notarial act. In Pennsylvania, this fee structure applies only to executing acknowledgements, the most common notarial act.

²The notary fee is \$5 for first document/\$2 for each successive document.

Source: Secretaries of State and notary handbooks from neighboring states

Virginia allows a notary to request actual travel expenses, at a rate to be agreed upon by the client, if required to travel to perform the notarial act. Pennsylvania allows a notary to charge a clerical or administrative fee for services they have provided in addition to the notarization of a document such as copying documents, postage, phone calls, or completing forms.

For 2009, the IRS standard mileage rate for the cost of operating your car for business use is \$0.55 per mile.

Additional Information

Prior Introductions: SB 4 of 2008 and HB 916 of 2007 would have increased the limit on fees for notary services from \$2 to \$3 and \$2 to \$4, respectively. SB 4 passed the Senate, but both bills received unfavorable reports from the House Health and Government Operations Committee.

Cross File: HB 555 (Delegate Barve) - Health and Government Operations.

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

Fiscal Note History: First Reader - February 20, 2009
ncs/hlb

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510