



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 25

PRINTERS NO. 1551

PRIME SPONSOR: Grell

### COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
General Fund	\$0	\$0

**SUMMARY:** House Bill 25 amends Title 42, Judicial Code, and Title 57, Notaries Public, by updating these laws concerning declarations and notaries public. The effective dates vary by provision.

**ANALYSIS:** This legislation adds a new chapter to the Judicial Code concerning Uniform Unsworn Foreign Declarations and a new chapter to Notaries Public revising the uniform law on notarial acts.

The Uniform Unsworn Declarations Act applies to unsworn declarations by individuals who at the time of making a declaration are physically located outside the boundaries of the United States, whether or not the location is subject to the jurisdiction of the United States.

The adoption of the Revised Uniform Law on Notarial Acts would modernize Pennsylvania's notary law and standardize it with other states while retaining many of the existing safeguards in Pennsylvania's current notary public law, such as education, journal, and bonding requirements. The bill codifies current notary practice, reconciles inconsistent sections of the current law, and repeals obsolete sections. The bill also updates the notary law to take into account new technologies.

**FISCAL IMPACT:** Enactment of this legislation will have a nominal fiscal impact on the Department of State (Department). The Department will need to make changes to current processes and regulations concerning examinations for first time notary applicants, changes that will likely necessitate enhancements to the current notaries database to process and store this information. The Department anticipates this can be handled within its current and projected funding.

Enactment of this legislation would lead to a temporary but significant increase in workload for the Department of State, over a period of approximately one year. All Division of Commissions, Legislation and Notaries forms and materials would require revision. The Division would need

to communicate the changes in the law to notaries public, other notarial officers, and notary education providers. The Department would also need to promulgate extensive regulations to implement the act. It is anticipated that these duties would not require the Department to hire additional staff, but they may affect the ability of existing staff to respond expeditiously and process normal responsibilities in a timely manner.

In addition, the law requires all 17 approved education providers to revamp their notary education courses and submit new ones, each of which must be approved by the Department prior to being offered to notaries. Because both initial education and continuing education are required by the bill, it is anticipated that the Department will need to review a greater number of courses, both initially and on an ongoing basis.

The Department currently maintains a public searchable database of all notaries public. Authorized e-notaries are searchable on the website only by certain users and not by the general public. Therefore, the public database display would need to be altered to indicate on the notary record whether a notary public is authorized to notarize electronically and also be searchable by the public. It is anticipated that all system-related enhancements required in the bill would be implemented as a part of the Department's ongoing maintenance contact with its notary system vendor. The flexible implementation date in the bill allows the Department the time it will need to ensure that the enhancements can be made within the existing software build schedule, with no anticipated additional costs.

Finally, House Bill 25 requires that first-time applicants "must pass an examination administered by the department or by an entity approved by the department." Many providers already administer an exam at the end of their courses to test knowledge. Therefore, the Department believes it will be able to work with these vendors to implement this provision at little or no cost to the Commonwealth.

**PREPARED BY:** Jeff Miller  
House Appropriations Committee (R)

**DATE:** May 7, 2013

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*