

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 665
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State Affairs
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 665 requires new notary public applicants to complete an educational course as a condition of their appointment.

Currently, an individual seeking to become a notary public is not required to take an educational course prior to obtaining a commission. The secretary of state's office (SOS) offers printed education materials and an online training video at no cost to the public. However, the state does not require applicants to participate in any training. Notaries play an essential role in the functioning of our legal and commercial systems. They hold a position of public trust, ensuring integrity in the execution and signing of business, personal, and legal documents. Properly notarized documents can help bind agreements, prevent disputes, and protect against fraud. Therefore, interested parties contend that notary applicants should receive some educational training.

S.B. 665 amends the Government Code to require notary public applicants to complete a SOS-approved educational course that can be online, self-study, or in-classroom. Outside vendors or SOS itself may provide this course. The bill provides that the SOS will establish standards for the course and procedures for approving a course. The bill further provides that the SOS will set and assess a nonrefundable vendor application and renewal fee to fund the administration and management of the course requirement. Finally, the \$1 general fee (this fee is in addition to the \$10 bond fee) that the SOS already charges may also be used to fund the course requirement.

S.B. 665 only applies to new applications submitted after the effective date. The bill makes a written statement of course completion only part of first-time applications. S.B. 665 does not apply to notary publics who are renewing their unexpired appointment. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 665 amends current law relating to education requirements for a notary public appointment and authorizes a fee.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the secretary of state in SECTION 1 (Section 406.0045, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 406, Government Code, by adding Section 406.0045, as follows:

Sec. 406.0045. REQUIRED EDUCATIONAL COURSE. (a) Requires an applicant for an initial appointment as a notary public to complete an educational course approved by the secretary of state (SOS). Authorizes the educational course to be an online, self-study, or classroom course.

(b) Requires the SOS to adopt rules to implement the educational course requirement imposed by Subsection (a). Requires that the rules establish the standards for an educational course; establish the procedures for approving an

educational course; and set a nonrefundable vendor application and renewal fee for a vendor of an educational course in an amount sufficient to administer this section.

(c) Authorizes the SOS to provide an educational course to satisfy the requirements of Subsection (a).

(d) Requires that a fee received by the SOS under Subsection (b)(3) (relating to requiring the SOS to adopt rules that set a certain vendor application and renewal fee) be appropriated to and used by the SOS to administer this section.

SECTION 2. Amends Section 406.005, Government Code, by adding Subsection (c), to require that an application for an initial appointment under this section include a statement that the applicant has completed an educational course required by Section 406.0045.

SECTION 3. Amends Section 406.006, Government Code, to include providing a statement of completion of an educational course if required by Section 406.0045 among certain actions necessary for an individual to qualify.

SECTION 4. Amends Section 406.007(a), Government Code, to include a fee of \$1 to be appropriated to and used by the SOS for administering and managing an educational course under Section 406.0045(c) among certain fees that an applicant must submit to the SOS . Makes nonsubstantive changes.

SECTION 5. Amends Section 406.011, Government Code, by adding Subsection (c), to provide that Section 406.0045 does not apply to a notary public applying for reappointment under this section (Reappointment).

SECTION 6. Makes application of this Act prospective to September 1, 2018.

SECTION 7. Effective date: January 1, 2018.