

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 17, 2017**

**TO:** Honorable Tan Parker, Chair, House Committee on Investments & Financial Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1217** by Parker (Relating to appointment of and performance of notarial acts by an electronic notary public; authorizing a fee and creating a criminal offense.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Secretary of State (SOS) to develop and maintain standards for certain electronic notarizations, as well as confer with the Department of Information Resources (DIR) or other appropriate state agency on the related components of those standards. The bill would provide requirements related to the application and qualifications to become an electronic notary public, as well as additional duties and responsibilities of a notary described in the bill. According to SOS, the agency will need to modify its current system to allow it to accept an application to become an electronic notary. LBB analysis assumes 1.0 additional FTE would be required to do this, which could be absorbed within existing resources. The bill would authorize SOS to charge a fee for an application to become an electronic notary public in an amount necessary to administer related agency responsibilities, it is assumed this revenue would be deposited to the General Revenue Fund. SOS indicates that fee revenue would not be significant in the biennium and the Comptroller of Public Accounts indicated the amount cannot be determined.

The bill would make the wrongful possession of related software or hardware described in the bill a criminal offense, classified as a Class A misdemeanor. No fiscal impact is anticipated by DIR. No significant fiscal impact is anticipated for the Secretary of State and it is assumed the agency can accomplish the provisions of the bill within existing resources.

**Local Government Impact**

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

**Source Agencies:** 304 Comptroller of Public Accounts, 307 Secretary of State, 313 Department of Information Resources

**LBB Staff:** UP, CL, MMe, PM, RC, JGA, ASa