

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 15, 2025

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4203 by Swanson (Relating to education requirements for notaries public; providing a civil penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4203, As Introduced: a negative impact of (\$1,313,744) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$880,827)
2027	(\$432,917)
2028	(\$432,917)
2029	(\$432,917)
2030	(\$432,917)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$880,827)	6.0
2027	(\$432,917)	6.0
2028	(\$432,917)	6.0
2029	(\$432,917)	6.0
2030	(\$432,917)	6.0

Fiscal Analysis

This bill would amend the Government Code related to notaries public commissioned by the Secretary of State (SOS) to require an individual to complete certain education requirements to be qualified to become a notary public. The bill would establish a civil action against a person who provides notary public education in certain circumstances.

Methodology

According to SOS, there are over 500,000 commissioned notaries public in Texas and the agency estimates that

it processes an average of 130,000 traditional notary applications and 2,500 online notary applications each year. The SOS also estimates that the agency investigates over 250 notary complaints each year.

The bill would require all commissioned notaries to receive up to two hours of training in order to be appointed or reappointed as a notary public. The SOS anticipates providing this newly required training online, with an expected development cost of \$400,000.

According to the SOS, an anticipated increase in phone calls and e-mails related to the new education requirement would require five Program Specialists I positions (\$53,723 per year) and one Program Specialist II position (\$58,288 per year). Associated benefits and other expenses for these 6 FTEs would be \$106,014 per year, with an additional \$47,910 in startup costs in fiscal year 2026.

It is anticipated that costs relating to updating online educational materials could be absorbed within existing resources.

According to the Office of Court Administration, no significant impact to the state court system is anticipated.

Technology

To implement the bill's notary public education requirements, the SOS would establish a Learning Management System (LMS) integrated with the agency's current platforms. SOS estimates this development would take one month for discovery of an application to fulfill the requirements of the bill and associated rulemaking, and another month to support the functionality of the new system. The SOS estimates an anticipated cost of \$200,000 per month for these tasks, with a total estimated cost to deploy the LMS of \$400,000 in fiscal year 2026.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 307 Secretary of State

LBB Staff: JMc, KDw, LCO, GP, NV, NPe, ER, NT, MGol