

**Office of the Secretary of State**

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## Written Testimony

### In Support of SB 765 – Remote Online Notarization

May 3, 2021

Chair Power, Vice-Chair Wallan, and Members of the Committee:

The Corporation Division is the Secretary of State's arm for commissioning and regulating notaries for the State of Oregon. We support the passing of SB 765.

#### **BACKGROUND**

In 2013, the Oregon Legislature adopted the Revised Uniform Law on Notarial Acts (RULONA) in the form of [HB 2834](#). In 2018, the Uniform Law Commission updated RULONA, adding provisions associated with Remote Online Notarization (RON).

When the Oregon Law Commission took up the issue of RON, the Corporation Division participated in the process. A legislative concept for permanent adoption of RON was completed with the division's assistance in September 2019 (LC 9990). The bill was not introduced during the 2020 regular session.

COVID-19 pandemic elevated the need for RON and required expedient action. Notaries, consumers of notarization and industry groups expressed dire concerns for their safety. Guidance to reduce risk of spreading COVID-19 was provided but did not resolve concerns. The safest process of notarization to entirely reduce risk is to allow RON.

HB 4212 was introduced as an omnibus bill during the 2020 First Special Legislative Session. The passing of this bill allows for RON through June 30, 2021.

#### **CURRENT PROCESS**

The division hosts a webpage dedicated to RON, provides training and access to a list of commonly used vendors: <https://sos.oregon.gov/business/Pages/remote-online-notarization.aspx>.

The following is the outline of the process in place:

A commissioned notary must apply to perform remote online notarization.

- The notary must first complete training specific to RON.
- They submit a form that includes the vendor they are using. The vendor must meet requirements set in [OAR 160-100-0805](#) and [OAR 160-100-0855](#).
- The notary also submits an example of their stamp and signature as used on the platform.
- Once processed by our office, the notary receives an acknowledgment that gives them the go ahead to start performing RON.

When notaries perform a RON notarization, they use an existing online platform that meets certain criteria listed in RULONA 2018. These criteria include:

- Knowledge-Based Authentication (KBA)
- Credential Analysis
- Secure document upload and transmission with tamper-evident technology
- Video and audio conferencing with recording of the notarization logically associated with the electronic notary journal
- Digital stamping and signing

### **SECURE ACCESS**

RON uses secure video conferencing technology that is as close to real-time as possible. In addition, an audio-visual recording of the notarization is required and kept for 10 years from the date of the notarization.

### **SUPPORTING INFORMATION**

According to the [National Association of Secretaries of State](#), 48 states have adopted some form of RON, either through legislation or emergency orders.

Through intensive research, the division identified and implemented the most promising standards used by other States to develop a process from a regulatory standpoint.

RON improves the ability to investigate filed complaints and review the actual transaction to determine if it meets Oregon Statute. This provides an exceptional level of protection and convenience for both notaries and consumers. The division typically relies on documentation in the notary journal and answers to questions related to the notarization when investigating a complaint, which could lend itself to unreliable information based on the memory the notary. From a regulatory standpoint, access to the recording of the notarization will dramatically improve the investigation process and timeliness.

Since implementing the temporary legislation, the division has not received a notary complaint where RON is used. We expect that RON will reduce the number of notary complaints our office receives.

RON provides greater access to consumers as it allows consumers to use a notary that is commissioned in other states where RON is already legal. This has been extremely helpful during the pandemic.

Currently, there are 124 Oregon notaries approved for RON. This number continues to grow every day.

Here is one example, of many, where RON was needed due to circumstances that prevented in-person notarization: A husband and wife were admitted to the hospital. The wife passed away and the husband was admitted to a care facility directly from the hospital. Their daughter needed to sign

and have notarized a Certification of Trust in order to have the ability to pay the medical bills. She had COVID and was able to use RON in order to get the document notarized.

The Corporation Division has processes, training and rules in place to support legislation to continue RON as a permanent form of notarization in Oregon.

Thank you for your time.

**Eloisa Miller**

Director

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Oregon Secretary of State