Government of the District of Columbia Office of the Chief Financial Officer



Fitzroy Lee Chief Financial Officer

MEMORANDUM

то:	The Honorable Phil Mendelson Chairman, Council of the District of Columbia
FROM:	Fitzroy Lee Chief Financial Officer
DATE:	June 10, 2022 7000 Lee
SUBJECT:	Fiscal Impact Statement – Revised Uniform Acts on Notarial Law Amendment Act of 2021
REFERENCE:	Bill 24-457, as introduced

Conclusion

Funds are sufficient in the fiscal year 2022 budget and fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill.

Background

The District's Office of Notary Commission and Authentications (ONCA) approves and commissions individuals as DC notaries public. The bill changes practices for notaries public in the District by allowing them to certify that a tangible copy of an electronic record is an accurate copy of the electronic record. The bill also allows notaries to perform remote online notarization (RON). RON is a notarial act performed when a public notary is not in the same physical location as the individual for whom the act is being performed. In order to perform RON, the notary public must:

- use electronic communication that allows for simultaneous sight and sound communication with the individual;
- obtain satisfactory evidence of the identity of the individual remotely located;
- confirm that the record before the notary public is the same record as the individual made a statement on or executed a signature; and
- create an audio-visual recording of the notarial act.

Additionally, if the individual is in a foreign location, the notary public must verify that the record relates to a matter, entity or property within the jurisdiction of the United States and that the notarial act is not prohibited in the foreign state in which the individual is located.

The Honorable Phil Mendelson FIS: Bill 24-457, "Revised Uniform Acts on Notarial Law Amendment Act of 2021," as introduced

Remote notarization may be used for the remote administration of oaths and remote notarization of tangible records. When signing a tangible record during a remote notarial act, the individual must send the record to the notary within three days along with a declaration, substantially similar to the declaration provided in the bill, that individual is attaching the same record displayed to the notary during the remote notarization. The notary's execution of notarial act on the record must indicate that the notary public witnessed the execution of the document by means of communication technology. Notary publics must retain the audio-visual recording for a period of ten years, unless the District adopts a shorter period through rule-making.

Before a notary public performs the notary public's initial notarial acts under the bill's authorization, the notary public must notify the Mayor that the notary public will be performing notarial acts with respect to remotely located individuals and identify the technologies the notary public intends to use. The Mayor may establish standards for the approval of communication technology or identity proofing. If the Mayor has established standards under subsection (m) and Section 27 for approval of communication technology or identity proofing must conform to the standards. The Mayor may adopt rules with the standards and to otherwise implement the bill.

The bill allows the Office of the Recorder of Deeds to accept for recording a tangible copy of an electronic record containing a notarial certificate as satisfying any requirement that a record accepted for recording be an original, if the notarial officer executing the notarial certificate certifies that the tangible copy is an accurate copy of the electronic record. The bill also makes amendments to the D.C. Official Code to specify that certain documents executed using RON take effect from the time of delivery to the Recorder of Deeds.

Financial Plan Impact

Funds are sufficient in the fiscal year 2022 budget and fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill.

The ONCA, operating under the Office of the Secretary, will need to provide commissioned notaries with notification of the bill's enactment and its requirements for RON. ONCA can do this and receive the required initial notification from commissioned notaries public who want to perform RON within its budgeted resources.