A BILL FOR AN ACT

RELATING TO NOTARIAL ACTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

| 1 | SECTION 1. The purpose of this Act is to update the laws |
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| 2 | regarding notaries public including the following: to conform to |
| 3 | the Revised Uniform Law on Notarial Acts (2018) (RULONA), the |
| 4 | Hawaii Uniform Electronic Transactions Act, other state notary |
| 5 | laws, and current notary practices. |
| 6 | SECTION 2. Chapter 456, Hawaii Revised Statutes, is |
| 7 | amended by adding six new sections to be appropriately |
| 8 | designated and to read as follows: |
| 9 | " <u>§456-A</u> Authority to refuse to perform notarial act. (a) |
| 10 | A notary public may refuse to perform a notarial act if the |
| 11 | notary public is not satisfied that: |
| 12 | (1) The person executing the document is competent or has |
| 13 | the capacity to execute the document; |
| 14 | (2) The person's signature is knowingly and voluntarily |
| 15 | made; or |
| 16 | (3) The notary public has proof of the signer's signature |
| 17 | and identity or, if the person is a remotely located |



| 1 | individual, satisfactory evidence of the identity |
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| 2 | under section 456-B. |
| 3 | (b) A notary public may refuse to perform a notarial act |
| 4 | unless refusal is prohibited by law other than this chapter. |
| 5 | <u>§456-B</u> Notarial act performed for remotely located |
| 6 | individual. (a) A remotely located individual may comply with |
| 7 | any requirement of law of this State to appear personally before |
| 8 | or be in the presence of a notary public at the time of the |
| 9 | performance of a notarial act by using communication technology |
| 10 | to appear before a remote online notary public. |
| 11 | (b) A remote online notary public located in this State |
| 12 | may perform a notarial act using communication technology for a |
| 13 | remotely located individual if: |
| 14 | (1) The remote online notary public: |
| 15 | (A) Has personal knowledge of the identity of the |
| 16 | individual; |
| 17 | (B) Has satisfactory evidence of the identity of the |
| 18 | remotely located individual by oath or |
| 19 | affirmation from a credible witness appearing |
| 20 | before the remote online notary public under this |
| 21 | chapter or this section; or |



| 1 | | (C) Has obtained satisfactory evidence of the |
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| 2 | | identity of the remotely located individual by |
| 3 | | using at least two different types of identity |
| 4 | | proofing; |
| 5 | (2) | The remote online notary public is reasonably able to |
| 6 | | confirm that a document before the remote online |
| 7 | | notary public is the same document in which the |
| 8 | | remotely located individual made a statement or on |
| 9 | | which the individual executed a signature; |
| 10 | (3) | The remote online notary public, or a person acting on |
| 11 | | behalf of the remote online notary public, creates an |
| 12 | | audiovisual recording of the performance of the |
| 13 | | notarial act; and |
| 14 | (4) | For a remotely located individual located outside the |
| 15 | | United States: |
| 16 | | (A) The document: |
| 17 | | (i) Is to be filed with or relates to a matter |
| 18 | | before a public official or court, |
| 19 | | governmental entity, or other entity subject |
| 20 | | to the jurisdiction of the United States; or |

2020-1430 SB2275 SD1 SMA.doc

| 1 | (ii) Involves property located in the territorial |
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| 2 | jurisdiction of the United States or |
| 3 | involves a transaction substantially |
| 4 | connected with the United States; and |
| 5 | (B) The act of making the statement or signing the |
| 6 | record is not prohibited by the foreign state in |
| 7 | which the remotely located individual is located. |
| 8 | (c) If a notarial act is performed under this section, any |
| 9 | certificate of notarial act required by this chapter or other |
| 10 | law of the State shall indicate that the notarial act was |
| 11 | performed using communication technology. |
| 12 | (d) A form of certificate of notarial act subject to this |
| 13 | section and authorized by law of the State, including a |
| 14 | certificate of acknowledgment provided in section 502-41, is |
| 15 | sufficient if it: |
| 16 | (1) Complies with rules adopted under this section; or |
| 17 | (2) Is in the form authorized by law of the State and |
| 18 | contains a statement substantially as follows: "This |
| 19 | notarial act involved the use of communication |
| 20 | technology." |

2020-1430 SB2275 SD1 SMA.doc

| 1 | (e) A remote online notary public, guardian, conservator, |
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| 2 | or agent of a remote online notary public, or a personal |
| 3 | representative of a deceased notary public shall retain the |
| 4 | audiovisual recording created under this section or cause the |
| 5 | recording to be retained by a repository designated by or on |
| 6 | behalf of the person required to retain the recording. Unless a |
| 7 | different period is required by rule adopted under this section, |
| 8 | the recording shall be retained for a period of at least ten |
| 9 | years after the recording is made. |
| 10 | (f) Before a remote online notary public performs the |
| 11 | remote online notary public's initial notarial act under this |
| 12 | section, the remote online notary public shall notify the |
| 13 | attorney general that the remote online notary public will be |
| 14 | performing notarial acts with respect to remotely located |
| 15 | individuals and identify the technologies that the remote online |
| 16 | notary public intends to use. The technology selected by a |
| 17 | remote online notary public to perform notarial acts for |
| 18 | remotely located individuals shall conform to the attorney |
| 19 | general's standards developed for this chapter. |
| 20 | (g) In addition to adopting, amending, or repealing rules |
| 01 | under continu (FC 1 F and continu (FC 0 the other) |

21 under section 456-1.5 and section 456-8, the attorney general



Page 5

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | may adopt | , amend, or repeal rules pursuant to chapter 91 |
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| 2 | regarding | the performance of notarial acts under this section, |
| 3 | including | <u>:</u> |
| 4 | (1) | Prescribing the means of performing a notarial act |
| 5 | | involving a remotely located individual using |
| 6 | | communication technology; |
| 7 | (2) | Establishing standards for communication technology |
| 8 | | and identity proofing; |
| 9 | (3) | Establishing requirements and procedures to approve |
| 10 | | providers of communication technology and the process |
| 11 | | of identity proofing; and |
| 12 | (4) | Establishing standards and a period of retention of an |
| 13 | | audiovisual recording created under this section. |
| 14 | (h) | Before adopting, amending, or repealing a rule |
| 15 | governing | the performance of a notarial act with respect to a |
| 16 | remotely | located individual, the attorney general shall |
| 17 | consider: | |
| 18 | (1) | The most recent standards regarding the performance of |
| 19 | | a notarial act with respect to a remotely located |
| 20 | | individual promulgated by national standard-setting |

Page 7

| 1 | | organizations and the recommendations of the National |
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| 2 | | Association of Secretaries of State; |
| 3 | (2) | The standards, practices, and customs of other |
| 4 | | jurisdictions that have laws substantially similar to |
| 5 | | this section; and |
| 6 | (3) | The views of governmental officials and entities and |
| 7 | | other interested persons. |
| 8 | <u>(i)</u> | For purposes of this section, the following |
| 9 | definitio | ns shall apply: |
| 10 | <u>"Com</u> | munication technology" means an electronic device or |
| 11 | process t | hat: |
| 12 | (<u>1)</u> | Allows a remote online notary public and a remotely |
| 13 | | located individual to communicate with each other |
| 14 | | simultaneously by sight and sound; and |
| 15 | (2) | When necessary and consistent with other applicable |
| 16 | | law, facilitates communication with a remotely located |
| 17 | | individual who has a vision, hearing, or speech |
| 18 | | impairment. |
| 19 | "For | eign state" means a jurisdiction other than the United |
| 20 | States, a | state of the United States, the District of Columbia, |
| 21 | <u>Puerto Ri</u> | co, the United States Virgin Islands, any territory or |

2020-1430 SB2275 SD1 SMA.doc

| 1 | insular possession subject to the jurisdiction of the United |
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| 2 | States, or a federally recognized Indian tribe. |
| 3 | "Identity proofing" means a process or service by which a |
| 4 | third person provides a remote online notary public with a means |
| 5 | to verify the identity of a remotely located individual by a |
| 6 | review of personal information from public or private data |
| 7 | sources. |
| 8 | "Outside the United States" means a location outside the |
| 9 | geographic boundaries of the United States, Puerto Rico, the |
| 10 | United States Virgin Islands, and any territory, insular |
| 11 | possession, or other location subject to the jurisdiction of the |
| 12 | United States. |
| 13 | "Remote online notary public" means an individual |
| 14 | commissioned by the department of the attorney general to |
| 15 | perform notarial acts for remotely located individuals. |
| 16 | "Remotely located individual" means an individual who is |
| 17 | not in the physical presence of the remote online notary public |
| 18 | who performs a notarial act under this section. |
| 19 | §456-C Application; qualifications. (a) A notary public |
| 20 | or an applicant for commission as a notary public may apply to |



Page 8

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | the attor | ney general to be commissioned as a remote online |
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| 2 | notary pu | blic in the manner provided by this section. |
| 3 | (b) | A person qualifies to be commissioned as a remote |
| 4 | online no | tary public by: |
| 5 | (1) | Satisfying the qualification requirements for |
| 6 | | commission as a notary public under this chapter; |
| 7 | (2) | Paying the application fee; and |
| 8 | (3) | Submitting to the attorney general an application in |
| 9 | | the form prescribed by the attorney general that |
| 10 | | satisfies the attorney general that the applicant is |
| 11 | | qualified. |
| 12 | (c) | The attorney general may charge a fee for an |
| 13 | applicati | on submitted under this section in an amount necessary |
| 14 | to admini | ster this section. |
| 15 | (d) | The technology selected by a remote online notary |
| 16 | public to | perform notarial acts shall conform to the attorney |
| 17 | general's | standards developed under this section. |
| 18 | <u>(e)</u> | The remote online notary public under this chapter |
| 19 | shall for | thwith file a literal or photostatic copy of the |
| 20 | person's | commission with the clerk of the circuit court of the |
| 21 | <u>circuit i</u> | n which the remote online notary public resides. |



| 1 | (f) An individual commissioned as a remote online notary |
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| 2 | public by the attorney general under this section is a notary |
| 3 | public for purposes of this chapter and is subject to the |
| 4 | requirements, powers, and duties of a notary public under this |
| 5 | chapter. |
| 6 | <u>§456-D</u> Notification regarding performance of notarial act |
| 7 | on electronic record; selection of technology; acceptance of |
| 8 | tangible copy of electronic record. (a) A notary public may |
| 9 | select one or more tamper-evident technologies to perform |
| 10 | notarial acts with respect to electronic documents. A person |
| 11 | may not require a notary public to perform a notarial act with |
| 12 | respect to an electronic document with a technology that the |
| 13 | notary public has not selected. |
| 14 | (b) Before a notary public performs the notary public's |
| 15 | initial notarial act with respect to an electronic document, a |
| 16 | notary public shall notify the attorney general that the notary |
| 17 | public will be performing notarial acts with respect to |
| 18 | electronic documents and identify the technology the notary |
| 19 | public intends to use. The technology selected by a remote |
| 20 | online notary public for remote online notarizations shall |

2020-1430 SB2275 SD1 SMA.doc

10

Page 10

١

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | conform to the attorney general's standards developed for this |
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| 2 | chapter. |
| 3 | (c) The registrar of conveyances may accept for recording |
| 4 | under chapter 502 a tangible copy of an electronic document |
| 5 | containing a notarial certificate as satisfying any requirement |
| 6 | that a document accepted for recording be an original, if the |
| 7 | notary public executing the notarial certificate certifies that |
| 8 | the tangible copy is an accurate copy of the electronic |
| 9 | document. |
| 10 | §456-E Validity of notarial acts. Except as otherwise |
| 11 | provided in section 456-14, the failure of a notary public to |
| 12 | perform a duty or meet a requirement specified in this chapter |
| 13 | does not validate or invalidate a notarial act performed by the |
| 14 | notary public. The validity of a notarial act under this |
| 15 | chapter does not prevent an aggrieved person from seeking to |
| 16 | invalidate the document or transaction that is the subject of |
| 17 | the notarial act or from seeking other remedies based on law of |
| 18 | the State other than this chapter or based on law of the United |
| 19 | States. This section does not validate a purported notarial act |
| 20 | performed by a person who does not have the authority to perform |
| 21 | notarial acts. |



§456-F Relation to federal Electronic Signatures in Global 1 2 and National Commerce Act. This chapter modifies, limits, and 3 supersedes the federal Electronic Signatures in Global and 4 National Commerce Act, Title 15 United States Code section 7001, 5 et seq., but does not modify, limit, or supersede section 101(c) 6 of that Act, Title 15 United States Code section 7001(c), or authorize electronic delivery of any of the notices described in 7 8 section 103(b) of that Act, Title 15 United States Code section 9 7003(b)." 10 SECTION 3. Section 456-1, Hawaii Revised Statutes, is 11 amended to read as follows: 12 "§456-1 [Appointment;] Commission; renewal. (a) The 13 attorney general may, in the attorney general's discretion, 14 [appoint and] commission such number of notaries public for the 15 State as the attorney general deems necessary for the public 16 good and convenience. The term of [office] commission of a 17 notary public shall be four years from the date of the notary's 18 commission, unless sooner removed by the attorney general for 19 cause after [due] the opportunity for hearing; provided that 20 after [due] the opportunity for hearing the commission of a 21 notary public may be revoked or the notary public may be

2020-1430 SB2275 SD1 SMA.doc

12

Page 12

1 otherwise disciplined by the attorney general in any case where any change occurs in the notary's [office,] commission, 2 3 occupation, residence, or employment [which] that in the 4 attorney general's judgment renders the holding of such 5 commission by the notary no longer necessary for the public good 6 and convenience. Each notary shall, upon any change in the 7 notary's [office,] commission, occupation, residence, or 8 employment, forthwith report the same to the attorney general. 9 (b) Each notary public shall be responsible for renewing 10 the notary public's commission on a timely basis and satisfying 11 the renewal requirements provided by law. The failure to renew 12 a commission in a timely manner [may] shall cause the commission 13 to be forfeited[, if the attorney general finds that the failure 14 was done knowingly]; provided that a forfeited commission may be 15 restored by the attorney general within one year after the date 16 of forfeiture upon compliance with the commission renewal 17 requirements provided by law and upon written application and 18 payment of all applicable fees."

19 SECTION 4. Section 456-1.6, Hawaii Revised Statutes, is 20 amended as follows:

2020-1430 SB2275 SD1 SMA.doc

13

Page 13

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | 1. Adding twelve new definitions to be appropriately |
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| 2 | inserted and to read: |
| 3 | ""Acknowledgment" means a declaration by a person before a |
| 4 | notary public that the person has signed a document for the |
| 5 | purpose stated in the document and, if the document is signed in |
| 6 | a representative capacity, that the person signed the document |
| 7 | with proper authority and signed it as the act of the person or |
| 8 | entity identified in the document. |
| 9 | "Document" means information that is inscribed on a |
| 10 | tangible medium or that is stored in an electronic or other |
| 11 | medium and is retrievable in perceivable form. |
| 12 | "Electronic" means relating to technology having |
| 13 | electrical, digital, magnetic, wireless, optical, |
| 14 | electromagnetic, or similar capabilities. |
| 15 | "Electronic signature" means an electronic symbol, sound, |
| 16 | or process attached to or logically associated with a document |
| 17 | and executed or adopted by a person with the intent to sign the |
| 18 | document. |
| 19 | "In a representative capacity" means acting as: |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | (1) | An authorized officer, agent, partner, trustee, or |
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| 2 | | other representative for a person other than an |
| 3 | | individual; |
| 4 | (2) | A public officer, personal representative, guardian, |
| 5 | | or other representative, in the capacity stated in a |
| 6 | | document; |
| 7 | (3) | An agent or attorney-in-fact for a principal; or |
| 8 | (4) | An authorized representative of another in any other |
| 9 | | capacity. |
| 10 | "Not | arial act" means an act, whether performed with respect |
| 11 | <u>to a tang</u> | ible or electronic document, that a notary public may |
| 12 | perform u | nder the law of this State. The term includes taking |
| 13 | an acknow | ledgment, administering an oath or affirmation, taking |
| 14 | <u>a verific</u> | ation upon oath or affirmation, witnessing or attesting |
| 15 | <u>a signatu</u> | re, certifying or attesting a copy, and noting a |
| 16 | protest o | f a negotiable instrument. |
| 17 | <u>"Not</u> | ary public" means an individual commissioned to perform |
| 18 | <u>a notaria</u> | l act by the attorney general under this chapter. |
| 19 | <u>"Sig</u> | n" means, with present intent to authenticate or adopt |
| 20 | <u>a documen</u> | <u>t:</u> |
| 21 | (1) | To execute or adopt a tangible symbol; or |



| 1 | (2) To attach or logically associate with the document an |
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| 2 | electronic symbol, sound, or process. |
| 3 | "Signature" means a tangible symbol or an electronic |
| 4 | signature that evidences the signing of a document. |
| 5 | "Stamping device" means: |
| 6 | (1) A physical device capable of stamping or impressing |
| 7 | upon a tangible document a notary seal; or |
| 8 | (2) An electronic device or process capable of attaching |
| 9 | to or logically associating with an electronic |
| 10 | document a notary seal. |
| 11 | "Tamper-evident" means any changes to an electronic |
| 12 | document that display evidence of the change. |
| 13 | "Verification on oath or affirmation" means a declaration, |
| 14 | made by a person on oath or affirmation before a notary public, |
| 15 | that a statement in a document is true." |
| 16 | 2. By amending the definition of "proof of the signer's |
| 17 | signature and identity" to read: |
| 18 | ""Proof of the signer's signature and identity" means |
| 19 | [proof-evidenced by production of a current identification card |
| 20 | or document issued by the United States, this State, any other |
| 21 | state, or a national government that contains the bearer's |



S.B. NO. ²²⁷⁵ S.D. 1

| 1 | photograph and | signature.] satisfactory evidence of the identity |
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| 2 | of an individu | al appearing before the notary public if the |
| 3 | notary public | can identify the individual: |
| 4 | <u>(1)</u> By n | neans of: |
| 5 | (A) | Having personal knowledge of the identify of an |
| 6 | | individual before the officer if the individual |
| 7 | | is personally known to the notary public through |
| 8 | | dealings sufficient to provide reasonable |
| 9 | | certainty that the individual has the identity |
| 10 | | <pre>claimed;</pre> |
| 11 | <u>(B)</u> | A passport, driver's license, or government |
| 12 | | issued nondriver identification card that is |
| 13 | | valid or expired not more than three years before |
| 14 | | the performance of the notarial act and contains |
| 15 | | the signature and photograph of the individual; |
| 16 | <u>(C)</u> | Another form of government identification issued |
| 17 | | to an individual that is valid or expired not |
| 18 | | more than three years before performance of the |
| 19 | | notarial act, contains the signature and |
| 20 | | photograph of the individual, and is satisfactory |
| 21 | | to the notary public; or |

2020-1430 SB2275 SD1 SMA.doc

| 1 | <u>(D)</u> | By verification on oath or affirmation of a |
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| 2 | | credible witness personally appearing before the |
| 3 | | notary public and known to the notary public or |
| 4 | | whom the notary public can identify on the basis |
| 5 | | of a passport, driver's license, or government |
| 6 | | issued nondriver identification card that is |
| 7 | | valid or expired not more than three years before |
| 8 | | performance of the notarial act; or |
| 9 | <u>(2)</u> By re | quiring an individual to provide additional |
| 10 | infor | mation or identification credentials necessary to |
| 11 | assur | e the notary public of the identity of the |
| 12 | indiv | idual." |
| 13 | 3. By rep | pealing the definition of "personally knowing". |
| 14 | [" Persona] | ly knowing" or "personal knowledge" means having |
| 15 | an acquaintance | e, derived from association with the individual, |
| 16 | which establish | nes-the individual's identity with at least a |
| 17 | reasonable-cert | cainty."] |
| 18 | SECTION 5. | Section 456-2, Hawaii Revised Statutes, is |
| 19 | amended to read | as follows: |
| 20 | "§456-2 Ç | Qualifications; oath. Every person [appointed] |
| 21 | commissioned as | a notary public shall, at the time of the |
| | | |

2020-1430 SB2275 SD1 SMA.doc

1 person's [appointment,] commission, be a resident of the State, 2 possess the other qualifications required of [public officers] a 3 notary public and be at least eighteen years of age. Every person [appointed to that office] before being commissioned as a 4 5 notary public, shall [, before entering thereon,] take and 6 subscribe an oath for the faithful discharge of the person's 7 duties, which oath shall be filed in the department of the 8 attorney general." 9 SECTION 6. Section 456-3, Hawaii Revised Statutes, is 10 amended to read as follows: 11 "§456-3 Seal. Every notary public shall constantly keep 12 [an engraved seal of office or] a rubber stamp [facsimile] 13 notary seal which shall clearly show, when [embossed,] 14 stamped $[\tau]$ or impressed upon a tangible document $[\tau]$ or when 15 attached to or logically associated with an electronic document, 16 only the notary's name, the notary's commission number, and the 17 words, "notary public" and "State of Hawaii". The notary seal 18 must be capable of being copied together with the document to 19 which it is stamped, impressed, or attached, or with which it is 20 logically associated. The notary public shall authenticate all 21 the notary's official acts, attestations, certificates, and



S.B. NO. $^{2275}_{S.D. 1}$

1 instruments therewith, and shall always add to an official 2 signature the typed or printed name of the notary and a 3 statement showing the date that the notary's commission expires. 4 Upon resignation, death, expiration of term of [office] 5 commission without [reappointment,] renewal, or [removal from] 6 revocation, or abandonment of [office,] commission, the notary 7 public shall immediately deliver the notary's seal to the 8 attorney general who shall deface or destroy the same. [If any 9 notary fails to comply with this section within ninety days of 10 the date of the notary's resignation, expiration of term of 11 office without reappointment, or removal from or abandonment of 12 office or if the notary's personal representative fails to 13 comply with this section within ninety days of the notary's 14 death, then the notary public or the notary's personal 15 representative shall forfeit to the State not more than \$200, in 16 the discretion of the court, to be recovered in an action to be 17 brought by the attorney general on behalf of the State.] If a 18 notary public has used an electronic stamping device, upon 19 resignation, death, expiration of term of commission without 20 renewal, or revocation or abandonment of commission, the notary 21 public shall disable the electronic stamping device by

2020-1430 SB2275 SD1 SMA.doc

Page 21

1 destroying, defacing, damaging, erasing, or securing it against
2 use in a manner that renders it unusable and shall submit a
3 declaration to the attorney general that the electronic stamping
4 device was disabled and state the date and manner in which the
5 device was disabled."

6 SECTION 7. Section 456-4, Hawaii Revised Statutes, is7 amended to read as follows:

8 "§456-4 Filing copy of commission; authentication of acts. 9 (a) Each person [appointed and] commissioned as a notary public 10 under this chapter shall forthwith file a literal or photostatic 11 copy of the person's commission, an impression of the person's 12 tangible seal, and a specimen of the person's official signature 13 with the clerk of the circuit court of the circuit in which the 14 notary public resides. Each person [appointed and] commissioned 15 as a notary public under this chapter may also, at the person's 16 option, file the above-named documents with the clerk of any 17 other circuit court. Thereafter any clerk, when [thereunto] 18 requested, shall certify to the official character and acts of 19 any such notary public whose commission, impression of tangible 20 seal, and specimen of official signature [is] are so filed in

2020-1430 SB2275 SD1 SMA.doc

1 the clerk's office. A notary public's electronic seal is not 2 subject to the requirements of this section. 3 (b) All documents filed under this section may be 4 maintained in tangible or electronic format." 5 SECTION 8. Section 456-5, Hawaii Revised Statutes, is 6 amended to read as follows: 7 "§456-5 Official bond. Each notary public forthwith and 8 before entering upon the duties of the notary's [office] 9 commission shall execute, at the notary's own expense, an 10 official surety bond which shall be in the sum of \$1,000. Each 11 bond shall be approved by a judge of the circuit court. 12 The obligee of each bond, or bond continuation certificate, 13 shall be the State and the condition contained therein shall be 14 that the notary public will well, truly, and faithfully perform 15 all the duties of the notary's [office] commission which are 16 then or may thereafter be required, prescribed, or defined by 17 law or by any rule made under the express or implied authority 18 of any statute, and all duties and acts undertaken, assumed, or 19 performed by the notary public by virtue or color of the 20 notary's [office.] commission. The surety on any such bond, or 21 bond continuation certificate, shall be a surety company

2020-1430 SB2275 SD1 SMA.doc

Page 22

S.B. NO. ²²⁷⁵ S.D. 1

1 authorized to do business in the State. After approval the 2 bond, or bond continuation certificate, shall be deposited and 3 kept on file in the office of the clerk of the circuit court of 4 the judicial circuit in which the notary public resides. The 5 clerk shall keep a book to be called the "bond record", in which 6 the clerk shall record such data in respect to each of the bonds 7 or bond continuation certificates deposited and filed in the 8 clerk's office as the attorney general may direct." 9 SECTION 9. Section 456-7, Hawaii Revised Statutes, is 10 amended by amending subsection (a) to read as follows: 11 "(a) A person commits the offense of unauthorized practice 12 as a notary public if the person knowingly engages in or offers 13 to engage in any duties of [the office of] a notary public 14 without first complying with all of the following: 15 Being [appointed and] commissioned as a notary public (1)16 by the attorney general; 17 (2) Filing a copy of the person's commission, an 18 impression of the person's seal, and a specimen of the 19 person's official signature with the clerk of the 20 circuit court of the circuit in which the person 21 resides; and

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | (3) Executing an official surety bond pursuant to section |
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| 2 | 456-5." |
| 3 | SECTION 10. Section 456-8, Hawaii Revised Statutes, is |
| 4 | amended to read as follows: |
| 5 | "§456-8 Rules. The attorney general, subject to chapter |
| 6 | 91, may prescribe such rules as the attorney general deems |
| 7 | advisable concerning the administration of this chapter, the |
| 8 | [appointment] <u>commission</u> and duties of notaries public, [the |
| 9 | duties of other officers thereunder,] and such measures as may |
| 10 | be necessary to prevent the fraudulent use of a notarized |
| 11 | document after placement of the notary's seal. The rules shall |
| 12 | have the force and effect of law." |
| 13 | SECTION 11. Section 456-9, Hawaii Revised Statutes, is |
| 14 | amended to read as follows: |
| 15 | "§456-9 Fees and administrative fines. (a) The attorney |
| 16 | general shall charge and collect the following fees for: |
| 17 | (1) Issuing the original commission, \$40; [and] |
| 18 | (2) Renewing the commission, \$40[-]; and |
| 19 | (3) Electronic processing service fees of up to ten per |
| 20 | cent of the amount of the transaction. |
| | |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

These fees may be adjusted, and any other fees may be 1 2 established and adjusted, by adopting rules pursuant to chapter 3 91. 4 (b) The court fees for filing a copy of a commission and 5 for each certificate of authentication shall be specified by the 6 supreme court. 7 The attorney general may impose and collect the (C)8 following administrative fines for a notary public's failure to: 9 Maintain an official seal of [one type, either a (1)10 single engraved seal or] a single rubber stamp 11 [facsimile] seal, on which shall be inscribed the name 12 of the notary public, the commission number of the 13 notary public, and the words "notary public" and 14 "State of Hawaii" only, \$20; 15 Surrender the notary public's [seal] physical stamping (2) 16 device and certificate to the attorney general within 17 ninety days of resignation, [removal from office,] 18 revocation of commission, or the expiration of a term 19 without renewal, \$200; Disable the notary public's electronic stamping device 20 (3) 21 within ninety days of resignation, revocation of

2020-1430 SB2275 SD1 SMA.doc

| 1 | | commission, or the expiration of a term without |
|----|--------------------|---|
| 2 | | renewal, \$200; |
| 3 | [(3)] | (4) Authenticate every acknowledgment or jurat with a |
| 4 | | certificate that shall be signed and dated by the |
| 5 | | notary, include the printed name and official stamp or |
| 6 | | seal of the notary, identify the jurisdiction in which |
| 7 | | the notarial act is performed, [describe in close |
| 8 | | proximity to the acknowledgment or jurat the document |
| 9 | | being notarized, and state the number of pages and |
| 10 | | <pre>date of the document,] \$500;</pre> |
| 11 | [(4)] | (5) Record all of the notary public's transactions as |
| 12 | | prescribed by section 456-15 and applicable rules, |
| 13 | | \$200; <u>and</u> |
| 14 | [(5) | Surrender the notary public's record books to the |
| 15 | | attorney general within-ninety-days of the end date of |
| 16 | | the commission, resignation, or removal from office, |
| 17 | | \$500; and] |
| 18 | (6) | Notify the attorney general within ten days after |
| 19 | | loss, misplacement, or theft of the notary public's |
| 20 | | [seal, stamp,] <u>stamping device</u> or any [record book,] |
| 21 | | journal, inform the appropriate law enforcement agency |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

| | in the case of theft, and deliver a copy of the law |
|---|---|
| | enforcement agency's report of the theft to the |
| | attorney general, \$20. |
| (d) | The foregoing moneys collected by the attorney general |
| pursuant | to this section shall be deposited into the notaries |
| public re | volving fund established by section 456-9.5, except |
| that if t | hat fund is terminated, the foregoing moneys shall |
| thereafte | r be deposited with the director of finance to the |
| credit of | the general fund. |
| <u>(e)</u> | All unpaid fees, fines, and forfeitures shall |
| constitut | e a debt due and owing to the State." |
| SECTION 12. Section 456-14, Hawaii Revised Statutes, is | |
| amended to read as follows: | |
| "§45 | 6-14 [Notary] Authority to perform notarial act; |
| <u>notary</u> co | nnected with a corporation or trust company[; authority |
| to act]. | (a) Except as otherwise provided in subsection (b): |
| (1) | A notary public may perform a notarial act authorized |
| | by this chapter or by law of the State other than this |
| | chapter; and |
| (-) | |
| (2) | It shall be lawful for any notary public, although an |
| | <pre>pursuant public re that if t thereafte credit of</pre> |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. $^{2275}_{S.D. 1}$

1 corporation or trust company to take the 2 acknowledgment of any party to any written instrument 3 executed to or by the corporation or trust company, or 4 to administer an oath to any shareholder, director, 5 officer, employee, or agent of the corporation or 6 trust company, or to protest for nonacceptance or 7 nonpayment of bills of exchange, drafts, checks, 8 notes, and other negotiable instruments [which] that 9 may be owned or held for collection by the corporation 10 or trust company [; provided it shall be unlawful for 11 any notary public to-take the acknowledgment of any 12 party to an instrument, or to protest any negotiable 13 instrument, where the notary is individually a party 14 to the instrument]. 15 A notary public may not perform a notarial act with (b) 16 respect to a document to which the notary public or the notary public's spouse or civil partner is a party or in which either 17 18 of them has a direct beneficial interest. A notarial act

19 performed in violation of this section is voidable.

2020-1430 SB2275 SD1 SMA.doc

| 1 | (c) A notary public may certify that a tangible copy of an |
|----|--|
| 2 | electronic document is an accurate copy of the electronic |
| 3 | document." |
| 4 | SECTION 13. Section 456-15, Hawaii Revised Statutes, is |
| 5 | amended to read as follows: |
| 6 | "§456-15 [Record;] <u>Journal;</u> copies as evidence. [Every |
| 7 | notary public shall record at length in a book of records all |
| 8 | acts, protests, depositions, and other things, by the notary |
| 9 | noted or done in the notary's official capacity. For each |
| 10 | official act, the notary shall enter in the book:] (a) A notary |
| 11 | public shall maintain a journal in which the notary public |
| 12 | chronicles all notarial acts that the notary public performs. |
| 13 | The notary public shall retain the journal for ten years after |
| 14 | the performance of the last notarial act chronicled in the |
| 15 | journal. |
| 16 | (b) A journal may be created on a tangible medium or in an |
| 17 | electronic format. A notary public shall maintain only one |
| 18 | tangible journal at a time to chronicle all notarial acts |
| 19 | performed regarding tangible documents and one electronic |
| 20 | journal at a time to chronicle all notarial acts performed |
| 21 | regarding electronic documents. If the journal is maintained on |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | a tangible medium, it must be a permanent, bound register with |
|----|---|
| 2 | numbered pages. If the journal is maintained in an electronic |
| 3 | format, it must be in a permanent, tamper-evident electronic |
| 4 | format complying with the rules of the attorney general. |
| 5 | (c) A notary public having the care and custody of the |
| 6 | journal may cause the same to be photographed, |
| 7 | microphotographed, reproduced on film, or copied to an |
| 8 | electronic format. Any device or electronic storage system used |
| 9 | to copy or reproduce the journal shall accurately reflect the |
| 10 | information in the original thereof in all details. |
| 11 | (d) A photograph, microphotograph, reproduction on film, |
| 12 | or electronic copy of a journal shall be deemed to be an |
| 13 | original record for all purposes, including introduction in |
| 14 | evidence in all courts or administrative agencies. A |
| 15 | transcript, exemplification, facsimile, or certified copy |
| 16 | thereof, for all purposes recited in this section, shall be |
| 17 | deemed to be a transcript, exemplification, facsimile, or |
| 18 | certified copy of the original record. |
| 19 | (e) An entry in a journal shall be made contemporaneously |
| 20 | with performance of the notarial act and contain the following |
| 21 | information: |



S.B. NO. ²²⁷⁵ S.D. 1

| 1 | (1) | The type, date, and time of day of the notarial act; |
|----|-----|---|
| 2 | (2) | The title or type and date of the document or |
| 3 | | proceeding and the nature of the act, transaction, or |
| 4 | | thing to which the document relates; |
| 5 | (3) | The $[signature_{7}]$ full printed name $[_{7}]$ and address of |
| 6 | | each person whose signature is notarized and of each |
| 7 | | witness[+] and, if the journal is maintained in a |
| 8 | | tangible medium, the signature of each such person; |
| 9 | (4) | [Other parties to the instrument; and] If identity of |
| 10 | | the person is based on personal knowledge, a statement |
| 11 | | to that effect; |
| 12 | (5) | [The manner in which the signer was identified.] If |
| 13 | | identity of the person is based on satisfactory |
| 14 | | evidence, a brief description of the method of |
| 15 | | identification and the identification credential |
| 16 | | presented, if any, including the identification number |
| 17 | | and date of expiration of any identification |
| 18 | | credential; and |
| 19 | (6) | The fee, if any, charged by the notary public. |

2020-1430 SB2275 SD1 SMA.doc

| 1 | (f) If a notary public's journal is lost or stolen, the |
|----|--|
| 2 | notary public shall promptly notify the attorney general on |
| 3 | discovering that the journal is lost or stolen. |
| 4 | (g) On resignation from, or the expiration, revocation, or |
| 5 | suspension of, a notary public's commission, the notary public |
| 6 | shall retain the notary public's journal in accordance with this |
| 7 | section and inform the attorney general where the journal is |
| 8 | located. |
| 9 | (h) On the death or adjudication of incompetency of a |
| 10 | current or former notary public, the notary public's personal |
| 11 | representative or guardian or any other person knowingly in |
| 12 | possession of the journal shall transmit it to the attorney |
| 13 | general or a repository approved by the attorney general. |
| 14 | (i) All copies or certificates granted by the notary shall |
| 15 | be under the notary's hand and notary seal and shall be received |
| 16 | as evidence of such transactions. |
| 17 | (j) The journals are subject to such reasonable periodic, |
| 18 | special, or other audits or inspections by the department of the |
| 19 | attorney general, within or without this State, as the attorney |
| 20 | general considers necessary or appropriate. An audit or |
| 21 | inspection may be made at any time and without prior notice. |



S.B. NO. ²²⁷⁵ S.D. 1

| 1 | The department of the attorney general may copy, and remove for |
|----|--|
| 2 | audit or inspection copies of, all records the department of the |
| 3 | attorney general reasonably considers necessary or appropriate |
| 4 | to conduct the audit or inspection. If any notary fails to |
| 5 | comply with this section, then the notary shall be subject to an |
| 6 | administrative fine of not less than \$50 nor more than \$500. |
| 7 | All unpaid fees, fines, and forfeitures shall constitute a debt |
| 8 | due and owing to the State." |
| 9 | SECTION 14. Section 456-17, Hawaii Revised Statutes, is |
| 10 | amended to read as follows: |
| 11 | "§456-17 Fees. Subject to section 456-18, every notary |
| 12 | public is entitled to demand and receive the following fees: |
| 13 | For noting the protest of mercantile paper, \$5; |
| 14 | For each notice and certified copy of protest, \$5; |
| 15 | For noting any other protest, \$5; |
| 16 | For every notice thereof, and certified copy of protest, |
| 17 | \$5; |
| 18 | For every deposition, or official certificate, \$5; |
| 19 | For the administration of oath, including the certificate |
| 20 | of the oath, \$5; for affixing the certificate of the oath to |
| 21 | every duplicate original instrument beyond four, \$2.50; |

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

For taking any acknowledgment, \$5 for each party signing;
 for affixing to every duplicate original beyond one of any
 instrument acknowledged before the notary, the notary's
 certificate of the acknowledgment, \$2.50 for each person making
 the acknowledgment.

For any of the foregoing notarial acts performed for a
remotely located individual under section 456-B, other than
affixing a notary's certificate to a duplicate original, \$25."
SECTION 15. Section 456-19, Hawaii Revised Statutes, is
amended to read as follows:

11 "[4]§456-19[] Notary signing for disabled person. A 12 notary may sign the name of a person physically unable to sign 13 or to make a mark on a document presented for notarization; 14 provided that the notary is satisfied that the person has 15 voluntarily given consent for the notary to sign on the person's 16 behalf, if the notary writes, in the presence of the person: 17 "Signature affixed by notary pursuant to section 456-19, Hawaii 18 Revised Statutes". Beneath the signature, and if a doctor's 19 written certificate is provided to the notary certifying that 20 the person is unable to physically sign or make a mark because 21 of the disability, and that the person is capable of

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

| 1 | communicating the person's intentions. The certificate shall be | | |
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| 2 | attached | to the document." | |
| 3 | SECT | ION 16. Section 456-20, Hawaii Revised Statutes, is | |
| 4 | amended t | o read as follows: | |
| 5 | " [+] | §456-20[]] Failure to verify identity and signature. | |
| 6 | (a) A pe | rson commits the offense of failure to verify identity | |
| 7 | [and sign | ature] if the person is a commissioned notary public | |
| 8 | and knowi | ngly notarizes a document and[÷ | |
| 9 | (1) | $\frac{1}{1}$ if a witness to the signing of the instrument, | |
| 10 | | fails to verify the identity of the signer by | |
| 11 | | [personally knowing the signer or by comparing the | |
| 12 | | personal appearance of the signer with satisfactory | |
| 13 | | proof of the signer's identity; or] proof of the | |
| 14 | | signer's signature and identity, or by obtaining | |
| 15 | | satisfactory evidence of identity under section 456-B | |
| 16 | | of a remotely located individual. | |
| 17 | [(2) | If not a witness to the signing of the instrument, | |
| 18 | | fails to verify the identity of the signer by | |
| 19 | | personally knowing the signer or by comparing the | |
| 20 | | personal appearance of the signer with satisfactory | |
| 21 | | proof of the signer's identity; or fails to verify the | |

2020-1430 SB2275 SD1 SMA.doc



35

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S.B. NO. ²²⁷⁵ S.D. 1

| 1 | signature of the signer by recognizing the signature | | |
|----|--|--|--|
| 2 | of the signer by personal familiarity with the | | |
| 3 | signature, or by comparing the signature with | | |
| 4 | satisfactory proof of the signer's signature.] | | |
| 5 | (b) Any person who violates this section shall be guilty | | |
| 6 | of a misdemeanor and shall be sentenced in accordance with | | |
| 7 | chapter 706. | | |
| 8 | (c) A conviction under this section shall result in the | | |
| 9 | automatic revocation of the notary public's commission." | | |
| 10 | SECTION 17. Section 456-21, Hawaii Revised Statutes, is | | |
| 11 | amended to read as follows: | | |
| 12 | "[-[]§456-21[-]] Failure to authenticate with a | | |
| 13 | certification statement. (a) A person commits the offense of | | |
| 14 | failure to authenticate with a certification statement if the | | |
| 15 | person is a commissioned notary public and knowingly notarizes a | | |
| 16 | document and fails to include any of the following in the notary | | |
| 17 | certification: | | |
| 18 | (1) Date of notarization and signature of the notary | | |
| 19 | public; | | |
| 20 | (2) The printed name, date of expiration, and stamp or | | |
| 21 | seal of the notary public; and | | |

2020-1430 SB2275 SD1 SMA.doc

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S.B. NO. ²²⁷⁵ S.D. 1

| 1 | (3) | Identification of the jurisdiction in which the |
|----|---------------------|--|
| 2 | | notarial act is performed[; |
| 3 | (4) | Identification or description of the document being |
| 4 | | notarized, placed in close proximity to the |
| 5 | | acknowledgment or jurat; and |
| 6 | (5) | A statement of the number of pages and date of the |
| 7 | | document]. |
| 8 | <u>(b)</u> | If a notarial act regarding a tangible record is |
| 9 | performed | by a notary public, an official stamp shall be affixed |
| 10 | to or emb | ossed on the certificate. If a notarial act is |
| 11 | performed | regarding a tangible record by a notary public and the |
| 12 | <u>certifica</u> | te contains the information specified in this section, |
| 13 | <u>an offici</u> | al stamp shall be affixed to the certificate. If a |
| 14 | notarial | act regarding an electronic record is performed by a |
| 15 | notarial j | public and the certificate contains the information |
| 16 | specified | in this section, an official stamp shall be attached |
| 17 | to or log | ically associated with the certificate. |
| 18 | [-(b) - |] <u>(c)</u> Any person who violates this section shall be |
| 19 | guilty of | a misdemeanor and shall be sentenced in accordance |
| 20 | with chap | ter 706. |

2020-1430 SB2275 SD1 SMA.doc

37

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S.B. NO. ²²⁷⁵ S.D. 1

1 $\left[\frac{(c)}{(c)}\right]$ (d) A conviction under this section shall result in 2 the automatic revocation of the notary public's commission." SECTION 18. Section 502-42, Hawaii Revised Statutes, is 3 4 amended to read as follows: 5 "§502-42 Certificate, contents. The certificate of 6 acknowledgment shall state in substance that the person who 7 executed the instrument appeared before the [officer] notary 8 public granting the certificate and acknowledged or stated that 9 the person executed the same, and that such person was 10 personally known to the [officer] notary public granting such 11 certificate to be the person whose name is subscribed to the 12 instrument as a party thereto, or was proved to be such by the 13 oath or affirmation of a credible witness known to the [officer] 14 notary public whose name shall be inserted in the certificate [-]15 or by other satisfactory evidence of identity under the law of 16 this State. If the person who executed the instrument appeared 17 before a notary public as a remotely located individual under 18 section 456-B, then the certificate shall indicate that the 19 notarial act was performed using communication technology in a 20 manner provided in section 456-B. It shall not be ground for 21 the rejection of any such certificate, or for refusing to accept

2020-1430 SB2275 SD1 SMA.doc

S.B. NO. ²²⁷⁵ S.D. 1

1 such instrument for record or in evidence, that the certificate 2 fails to state that the person making the acknowledgment stated 3 or acknowledged that the instrument was executed freely or 4 voluntarily by the person or as the person's free act and deed." 5 SECTION 19. Section 502-48, Hawaii Revised Statutes, is 6 amended to read as follows: 7 Identification of person making. No "§502-48 8 acknowledgment of any conveyance or other instrument, except as 9 provided by this chapter, whereby any real estate is conveyed or 10 may be affected, shall be taken, unless the person offering to 11 make the acknowledgment is personally known to the [officer] 12 notary public taking the acknowledgment to be the person whose 13 name is subscribed to the conveyance or instrument as a party 14 thereto, or is proved to be such by the oath or affirmation of a credible witness known to the [officer] notary public, or by 15 16 production of a [current] valid identification card or document 17 issued by the United States, [the] this State, any other state, 18 or a national government that contains the bearer's photograph 19 and signature [-], or by obtaining satisfactory evidence of 20 identity of a remotely located individual under section 456-B."

2020-1430 SB2275 SD1 SMA.doc

SECTION 20. Section 456-16, Hawaii Revised Statutes, is
 repealed.

| 3 | ["§456-16 Disposition of records; penalty. The records of | | | |
|----|--|--|--|--|
| 4 | each notary public shall be deposited with the office of the | | | |
| 5 | attorney general upon the resignation, death, expiration of each | | | |
| 6 | term of office, or removal from or abandonment of office. If | | | |
| 7 | any notary fails to comply with this section within ninety days | | | |
| 8 | of the date of the resignation, expiration of any term of | | | |
| 9 | office, or removal from or abandonment of office or if the | | | |
| 10 | notary's personal representative fails to comply with this | | | |
| 11 | section within ninety days of the notary's death, then the | | | |
| 12 | notary or the notary's personal representative shall forfeit to | | | |
| 13 | the State not less than \$50 nor more than \$500, in the | | | |
| 14 | discretion of the court, in an action brought by the attorney | | | |
| 15 | general on behalf of the State."] | | | |
| 16 | SECTION 21. This Act does not affect rights and duties | | | |
| 17 | that matured, penalties that were incurred, and proceedings that | | | |
| 18 | were begun before its effective date. | | | |
| 19 | SECTION 22. In codifying the new sections added by section | | | |
| 20 | 2 of this Act, the revisor of statutes shall substitute | | | |

2020-1430 SB2275 SD1 SMA.doc

Page 41

appropriate section numbers for the letters used in designating
 the new sections in this Act.
 SECTION 23. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.
 SECTION 24. This Act, upon its approval, shall take effect

6 on July 1, 2021.



Report Title:

Notaries Public; Remote Notarization; Electronic Documents

Description:

Updates laws concerning notaries public to conform to the Revised Uniform Law on Notarial Acts (2018), the Hawaii Uniform Electronic Transactions Act, other state notary laws, and current notary practices. Effective 7/1/2021. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

