

2019 Regular Session

HOUSE BILL NO. 514

BY REPRESENTATIVE GAROFALO

(On Recommendation of the Louisiana State Law Institute)

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

NOTARIES: Provides for the execution of electronic notarial acts

1 AN ACT

2 To amend and reenact of Civil Code Article 3344(A)(introductory paragraph) and to enact

3 R.S. 9:2760 and Chapter 10 of Title 35 of the Louisiana Revised Statutes of 1950,

4 to be comprised of R.S. 35:621 through 630, relative to remote online notarization;

5 to provide for recordation of tangible copies of electronic acts; to provide for

6 performance of remote online notarization; to provide for limitations relative to

7 remote online notarization; to provide for definitions; to provide for rulemaking; to

8 provide for duties of notaries public; to provide for recordkeeping; to provide for an

9 effective date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Civil Code Article 3344(A)(introductory paragraph) is hereby amended
12 and reenacted to read as follows:

13 Art. 3344. Refusal for failure of original signature or proper certification; effect of
14 recordation; necessity of proof of signature; recordation of a duplicate

15 A. ~~The~~ Except as otherwise provided by law, the recorder shall refuse to
16 record:

17 * * *

1 Section 2. R.S. 9:2760 is hereby enacted to read as follows:

2 §2760. Recordation of electronic record in tangible form

3 The recorder shall not refuse to record a tangible copy of an electronic record
4 on the ground that it does not bear the original signature of a party if a notary public
5 or other officer before whom it was executed certifies that the tangible copy is an
6 accurate copy of the electronic record.

7 Section 3. Chapter 10 of Title 35 of the Louisiana Revised Statutes of 1950, to be
8 comprised of R.S. 35:621 through 630, is hereby enacted to read as follows:

9 CHAPTER 10. REMOTE ONLINE NOTARIZATION

10 §621. Short title

11 This Chapter may be cited as the "Remote Online Notarization Act".

12 §622. Definitions

13 A. In this Chapter:

14 (1) "Communication technology" means an electronic device or process that
15 allows substantially simultaneous communication by sight and sound.

16 (2) "Credential analysis" means a process through which the authenticity of
17 an individual's government-issued identification credential is evaluated by another
18 person through review of public and proprietary data sources.

19 (3) "Identity proofing" means a process through which the identity of an
20 individual is affirmed by another person by either of the following means:

21 (a) Dynamic knowledge-based authentication, such as a review of personal
22 information from public or proprietary data sources.

23 (b) Analysis of biometric data, such as facial recognition, voiceprint analysis,
24 or fingerprint analysis.

25 (4) "Remote online notarial act" means an instrument executed before a
26 notary public by means of communication technology that meets the standards
27 adopted under this Chapter.

1 (5) "Remote online notarization" means the process through which an
2 instrument is executed before a notary public by means of communication
3 technology that meets the standards adopted under this Chapter.

4 B. The definitions of "electronic", "electronic record", "electronic signature",
5 and "record" as provided by the Louisiana Uniform Electronic Transactions Act, R.S.
6 9:2601 et seq., apply in this Chapter.

7 §623. Legal recognition of remote online notarial acts

8 A. Except as otherwise provided in Subsections B and C of this Section, a
9 remote online notarial act that meets the requirements of R.S. 35:625, 626, and 627
10 satisfies any requirement that a party appear before a notary public at the time of the
11 execution of the instrument. In all other respects, a remote online notarial act shall
12 comply with other applicable laws governing the manner of the execution of that act.

13 B. The following instruments shall not be executed by remote online
14 notarization:

15 (1) Testaments or codicils thereto.

16 (2) Trust instruments or acknowledgments thereof.

17 (3) Donations inter vivos.

18 (4) Matrimonial agreements or acknowledgments thereof.

19 (5) Acts modifying, waiving, or extinguishing an obligation of final spousal
20 support or acknowledgments thereof.

21 C. Remote online notarization may not be used to execute an authentic act
22 as defined in Civil Code Article 1833. Except as otherwise provided in Subsection
23 B of this Section, an act that fails to be authentic as a result of being executed by
24 remote online notarization may still be valid as an act under private signature or an
25 acknowledged act.

26 D. This Chapter supplements and does not repeal, supersede, or limit the
27 provisions of the Louisiana Uniform Electronic Transactions Act, R.S. 9:2601 et seq.

1 §624. Standards for remote online notarization

2 A. The secretary of state shall, by rule adopted in accordance with the
3 Administrative Procedure Act, develop and maintain standards for the
4 implementation of this Chapter.

5 B. In developing standards for remote online notarization, the secretary of
6 state shall form a stakeholder committee that shall include but need not be limited
7 to representatives of the Louisiana Land Title Association, the Louisiana Association
8 of Independent Land Title Attorneys, the Louisiana Notary Association, the
9 Louisiana Bankers Association, the Louisiana Clerks of Court Association, and the
10 Louisiana State Law Institute.

11 C. The rules shall be adopted prior to August 1, 2020, and may thereafter be
12 modified, amended, or supplemented with or without the input of the stakeholder
13 committee.

14 §625. Notaries authorized to perform remote online notarization

15 A. Only a notary public who has the power to exercise the functions of a
16 notary public in all parishes of this state as provided in R.S. 35:191(P) may be
17 authorized by the secretary of state to perform remote online notarization.

18 B. In order to obtain authorization to perform remote online notarization, a
19 notary public shall submit an application to the secretary of state in a format
20 prescribed by the secretary of state, complete any course of instruction required by
21 the secretary of state, and satisfy any other requirements imposed by rules adopted
22 by the secretary of state.

23 C. The authority to perform remote online notarization shall continue as long
24 as the notary public is validly commissioned and the secretary of state has not
25 revoked the notary public's authority to perform remote online notarization.

26 §626. Location of notary, parties, and witnesses; location of remote online notarial
27 act

28 A. A notary public physically located in this state may perform a remote
29 online notarization for a party who is not in the physical presence of the notary and

1 who may be located in or outside this state. A witness to a remote online notarial act
2 shall be in the physical presence of the party.

3 B. A remote online notarial act is deemed to be executed in any parish of this
4 state where any party is physically located at the time of the remote online
5 notarization. If no party was physically located in this state at the time of the remote
6 online notarization, the remote online notarial act is deemed to be executed in the
7 parish where the notary public is physically located at the time of the remote online
8 notarization.

9 §627. Procedure for performing remote online notarization

10 A. At the time of a remote online notarization, the notary public shall verify
11 the identity of any party or witness appearing remotely, both through use of
12 communication technology and by one of the following means:

13 (1) The notary public's personal knowledge of the individual.

14 (2) A process that includes all of the following:

15 (a) Remote presentation by the individual of a government-issued
16 identification credential, such as a passport or driver's license, that contains the
17 signature and a photograph of the individual.

18 (b) Credential analysis.

19 (c) Identity proofing.

20 B. The notary public shall do all of the following:

21 (1) Include in the remote online notarial act a statement that it is a remote
22 online notarial act.

23 (2) Attach to or cause to be logically associated with the remote online
24 notarial act the notary public's electronic signature, together with all other
25 information required to be included in the act by other applicable law.

26 (3) Digitally sign the remote online notarial act in a manner that renders any
27 subsequent change or modification of the remote online notarial act to be evident.

1 §628. Duties of the notary2 The notary public shall take reasonable steps to ensure both of the following:3 (1) The communication technology used in the performance of a remote
4 online notarization is secure from unauthorized interception.5 (2) The electronic record before the notary public is the same electronic
6 record in which the party made a statement or on which the party executed or
7 adopted an electronic signature.8 §629. Records of remote online notarizations9 A. The notary public shall do all of the following:10 (1) Maintain electronic copies capable of being printed in a tangible medium
11 of all remote online notarial acts for at least ten years after the date of the remote
12 online notarization.13 (2) Maintain an audio and video recording of each remote online notarization
14 for at least ten years after the date of the remote online notarization.15 (3) Take reasonable steps to secure the records required to be maintained by
16 this Section from corruption, loss, destruction, and unauthorized interception or
17 alteration.18 B. The notary public may designate a custodian to maintain the electronic
19 records required by Subsection A of this Section, provided that the notary public has
20 unrestricted access to the electronic records and the custodian meets any standards
21 established by the secretary of state for the maintenance of electronic records.22 §630. No variation by agreement23 The provisions of this Chapter may not be varied by agreement.

24 Section 4. This Act shall become effective on August 1, 2020.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 514 Original

2019 Regular Session

Garofalo

Abstract: Provides for recordation of tangible copies of electronic acts; allows for the performance of notarial functions remotely through the use of technology; and provides for limitations, qualifications, procedures, duties, and rulemaking relative to the performance of remote online notarization.

Proposed law (C.C. Art. 3344 and R.S. 9:2760) allows for the recordation of tangible copies of electronic acts.

Proposed law (R.S. 35:623) provides for the legal effect of remote online notarization.

Proposed law (R.S. 35:624) authorizes the secretary of state to adopt rules in order to develop and maintain standards to implement proposed law.

Proposed law (R.S. 35:625) provides for the process and requirements necessary to become and remain authorized to perform remote online notarization.

Proposed law (R.S. 35:626(A)) provides for the locations of the notary public, parties, and witnesses to a remote online notarial act and proposed law (R.S. 35:626(B)) provides for the location of a remote online notarial act.

Proposed law (R.S. 35:627(A)) provides procedures for a notary public to verify the identity of parties and witnesses to a remote online notarial act.

Proposed law (R.S. 35:627(B)) requires a notary public performing remote online notarization to include in a remote online notarial act a statement that it is a remote online notarial act and to electronically and digitally sign the remote online notarial act.

Proposed law (R.S. 35:628) provides for duties of the notary public in performing remote online notarization.

Proposed law (R.S. 35:629(A)) requires a notary public to maintain electronic copies and audio-video recordings of each remote online notarization for at least ten years after the date of the remote online notarization.

Proposed law (R.S. 35:629(B)) allows a notary public to designate a custodian to maintain the electronic records required by proposed law.

Proposed law (R.S. 35:630) prohibits contractual modification of the provisions of proposed law.

Effective Aug. 1, 2020.

(Amends C.C. Art. 3344(A)(intro. para.); Adds R.S. 9:2760 and R.S. 35:621-630)