

Remote Online Notarization

2021 Legislative Agenda

House Bill: H 6241

Sponsored by Representatives S Lima, and Casey

Senate Bill: S 931

Sponsored by Senator John P. Burke

Legislative Explanation

[H 6241](#) would allow the continuance of remote online notarization (RON) following the expiration of the executive emergency order currently in effect and requires a certificate of any notarial act. The legislation would also recognize notarizations performed under the authority and in the jurisdiction of a federally recognized Indian tribe, prohibit notary fees more than five dollars (\$5.00) and requires the disabling of notary stamping device upon expiration or revocation of a notary commission.

Issue Background

In 2018, the Rhode Island General Assembly approved legislation that allows e-notarization. According to the National Association of Secretaries of State, 38 states currently authorize some form of e-notarization and 31 of these states allow for some form of remote online notarization (RON). While Rhode Island does not permit remote online notarization, former Governor Gina Raimondo and Secretary of State Nellie Gorbea authorized updated Standards of Conduct for notaries public and provided temporary guidance on allowing remote online notarization during the state of emergency. Prior to the COVID-19 pandemic, RIAR participated in discussions with the Secretary of State regarding a permanent option (legislation) that would permit remote online notarization.

e-Notarization vs. Remote Online Notarization

e-Notarization is permitted in Rhode Island when a document is electronically signed in the presence of a notary, and then simultaneously is electronically notarized using an Electronic Notary platform. The document can be uploaded by the notary or a request can be made to the notary for notarization using the Electronic notary platform.

Online Remote Notarization (RON) permits the notarization of documents via communications technology where the parties are not physically present and are in two different locations.

Please let your Representatives and Senators Know:

Homebuyers and Sellers Need Predictability.

- Remote Online Notarization (RON) is vital to guarantee REALTORS® and their consumers can continue executing and notarizing critical documents in a timely manner.
- Uncertain circumstances that arose from the COVID-19 pandemic required lawmakers, and other public officials to rethink secure policies that promote public safety, while protecting Rhode Island's economy.
- But additional work needs to be done to ensure that real estate brokerage and mortgage systems that support real estate home sales are modern, accessible, and sustainable during any life changing event that places restrictions on our economy and livelihoods.
- Online home listings and showings during the pandemic have changed the ways homes are sold in Rhode Island.
- Homebuyers and sellers have conveyed a desire to reduce the number of in-person meetings during the pandemic and want a remote digital real estate closing option after the pandemic.

Modern Technology and Systems Positively Impact Real Estate and Rhode Island's Economy.

- Rhode Island law has not caught up to provide safe, remote digital real estate closings.
- With the pandemic still at the forefront of our daily lives, there is still urgent need to allow loan and real estate transactions to be completed using RON, especially with out-of-state purchases on the rise.
- Rhode Island Needs to be a leader implementing policies that create proactive systems and operations that prevent real estate transactions from being cancelled or disrupted.
- Historically about 40 percent of single-family home sales occur during the months from May to August in Rhode Island, averaging 776 sales during that time. It is imperative that the General Assembly take no chances on the pandemic and allow for streamlined business processes in the business community.