

STAND. COM. REP. NO.

3420

Honolulu, Hawaii

MAR 16 2020

RE: H.B. No. 2294  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 2294, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC,"

begs leave to report as follows:

The purpose and intent of this measure is to update the laws regarding 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.

Your Committee received testimony in support of this measure from the Department of the Attorney General, State of Hawai'i Commission to Promote Uniform Legislation, Uniform Law Commission, Hawaii Bankers Association, Hawaii Land Title Association, and First American Title. Your Committee received testimony in opposition to this measure from Honest Hawaii Notaries.

Your Committee finds that because of technological advancements, tens of thousands of remote online notarizations are already happening each year. Twenty-two other states have adopted model legislation to support remote online notarization. Hawaii residents currently use remote online notarization based in other states instead of using the services provided by Hawaii notaries. This measure would safeguard Hawaii residents by extending the



protections of existing law to this rapidly expanding type of notarial practice.

Your Committee notes that this measure tracks with the wording of the Revised Uniform Law on Notarial Acts (RULONA) drafted by the National Conference of Commissioners on Uniform State Laws regarding notarial acts performed by remotely located individuals, the Hawaii Uniform Electronic Transactions Act, other state notary laws, or current notary practices. In line with the provisions of RULONA, this measure provides that the requirement of an appearance before a notary public may be satisfied by an individual appearing before a notary public by means of communication technology.

Your Committee has amended this measure by:

- (1) Clarifying that remote online notarial acts are allowed when the remotely located individual is located outside the United States and the document involves a transaction with a bank whose deposits are insured by the Federal Deposit Insurance Corporation, including banks located in the Federated States of Micronesia, Republic of the Marshall Islands, and Republic of Palau; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2294, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2294, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



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KARL RHOADS, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary**  
**JDC**

|  |  |                           |     |          |
|--|--|---------------------------|-----|----------|
| Bill / Resolution No.:*<br><b>HB 2294 HD1</b>  | Committee Referral:<br><b>JDC, WAM</b> | Date:<br><b>3/10/2020</b> |     |          |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                           |     |          |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |  |                           |     |          |
| Members  | Aye                                    | Aye (WR)                  | Nay | Excused  |
| RHOADS, Karl (C)   | /                                      |                           |     |          |
| KEOHOKALOLE, Jarrett (VC)  | /                                      |                           |     |          |
| GABBARD, Mike  | /                                      |                           |     |          |
| KIM, Donna Mercado   | /                                      |                           |     |          |
| FEVELLA, Kurt  |  |                           |     | /        |
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| <b>TOTAL</b>   | <b>4</b>                               |                           |     | <b>1</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                           |     |          |
| Chair's or Designee's Signature:   |  |                           |     |          |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy   |  |                           |     |          |

\*Only one measure per Record of Votes