

Honolulu, Hawaii

, 2020

MAY 11

RE: S.B. No. 2275

S.D. 2

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2275, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO NOTARIAL ACTS,"

begs leave to report as follows:

The purpose of this measure is to modernize the laws regarding notaries public to bring them into conformity with national standards and current practices. Specifically, this measure:

- (1) Outlines the instances in which notaries public may refuse to perform notarial acts;
- (2) Authorizes notaries public to perform notarial acts for persons not in the physical presence of the notaries public and outlines the manner in which notaries public may perform such notarial acts, including through the use of authorized technologies and electronic stamping;
- (3) Clarifies the validity of notarial acts and the circumstances when notarial acts may not be performed;
- (4) Clarifies the retention of records; and



- (5) Makes various clarifying amendments to conform to national standards and practices.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Commission to Promote Uniform Legislation, Hawaii Land Title Association, First American Title, and Escrow Association of Hawaii. Your Committee received comments on this measure from the Hawaii Bankers Association.

Your Committee finds that notaries public serve an important role in preventing fraud in various types of transactions. Your Committee further finds that the state notaries public laws have not be updated for several years.

Your Committee has amended this measure by:

- (1) Allowing a remote online notary public located in the State to perform a notarial act using communication technology for a remotely located individual located outside the United States if the document involves a transaction with a bank whose deposits are insured by the Federal Deposit Insurance Corporation, including such banks located in the Federated States of Micronesia, Republic of the Marshall Islands, or Republic of Palau, and the act of making the statement or signing the record is not prohibited by the foreign state in which the remotely located individual is located; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 S.B. No. 2275, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2275, S.D. 2, H.D. 1, and be referred to your Committee on Finance.



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



CHRIS LEE, Chair



