



February 21, 2022

Honorable Phil Berger
 Senate President Pro Tempore
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 Raleigh, NC 27601
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Honorable Tim Moore
 Speaker of the House
 16 West Jones Street, Rm. 2304
 Raleigh, NC 27601
Tim.Moore@ncleg.gov

Dear Senator Berger and Speaker Moore,

On behalf of the undersigned coalition members, we are writing in support of a modern, viable, reliable remote online notarization (RON) law that benefits the State of North Carolina. Specifically, we have attached a draft bill for your review that we strongly support and would like to see enacted.

In the last 10 years, technology has transformed business in ways one could never imagine. Today, consumers demand fast reliable service and businesses rely on the protections and safeguards that technology provides. A modern RON law will be beneficial for North Carolina citizens and enhance the ease and security of the transactions for all types and sizes of businesses in the State.

RON laws have been enacted in 38 states, with legislation currently pending in additional states and the U.S. Congress. That activity is an indicator of how critical this issue is to businesses and

consumers everywhere. For our businesses, attorneys, court reporters, and notaries to remain competitive and to control transactions with a nexus to our state, NC needs to pass a RON bill that includes the following aspects:

- **Security** – Many argue that a notarization using RON technology is more secure than traditional notarizations because of identity proofing and credential analysis, multi-factor identification requirements, video recording of the participants performing the notarizations, remote ID presentation, tamper-proof documents, and an electronic journal.
- **Attorney Presence** – The attached draft preserves attorney presence by allowing for transactions that require a NC attorney to be present to conduct the notarization remotely. This will ensure our attorneys keep control of their transactions.
- **Flexibility** – RON should be allowed for the majority of documents requiring notarization under NC law to ensure that businesses and consumers can take advantage of this digital service. This is not just for convenience, but remote solutions have become increasingly important as health situations have restricted in-person options.
- **Transboundary** - RON's value is greatest when the principal can be located anywhere. RON's entire purpose is defeated if there is a constraint on geographical boundaries.

The provisions included in the version of House Bill 776 that passed the House 107-1, is the closest to what the stakeholders below want to see passed. Unfortunately, most of the changes made by the Senate Committee Substitute will render the bill moot.

If Sections one through four of the draft attached is adopted, House Bill 776 would help create legal certainty for RON transactions in North Carolina by using a framework that is based on a common set of core principles utilized by a growing number of states. It would also provide the necessary protections for our North Carolina attorneys and notaries to ensure they do not lose oversight of their transactions. Finally, it makes sure the notary is a NC notary, so the Office of the NC Secretary of State does not lose their enforcement powers.

Therefore, we strongly support passing the attached version of H776, Sections one through four, to provide entities with additional resources to serve businesses coming to and operating in North Carolina as well as consumers. If you have any questions, please contact Cady Thomas (Cady@focuspublicaffairs.com or 919-624-6488).

Sincerely,

Chicago Title Insurance Company
Fairway Independent Mortgage Corporation
Independent Insurance Agents of NC
Fidelity Investments
Fidelity National Title Insurance Company
Insurance Federation of North Carolina
Investors Title Insurance Company
NC Chamber NC REALTORS®
North Carolina Bankers Association

North Carolina Court Reporters Association
North Carolina Healthcare Association
North Carolina Home Builders Association
North Carolina Land Title Association
Notarize
Rocket Mortgage
The Carolinas Credit Union League
Wells Fargo
Zillow Group