



Legislative Council Staff

Research Note

Version: Final

Date: 5/1/2017

Bill Number

Senate Bill 17-132

Sponsors

**Senator Gardner
Representative Wist**

Short Title

**Revised Uniform Law On
Notarial Acts**

Research Analyst

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Status

This research note reflects the final version of the bill which becomes effective August 9 assuming no referendum petition is filed.

Background

The Colorado Commission on Uniform State Laws is charged with working with the Uniform Law Commission to promote uniformity in state laws where uniformity may be deemed desirable and practicable. This is achieved by developing proposed uniform legislation that can be adopted by the state legislatures.

The original Uniform Law on Notarial Acts was promulgated in 1982 and was designed to provide a consistent framework for notarial acts and officers among the states. Growing variations in the law and practice of notarial acts, including an increased use of technology and electronic records, has created a need for clarification and guidance on notarization of electronic records. The proposed law harmonizes treatment of notarization of electronic records with other federal laws.

Currently seven states have adopted the uniform law: Idaho, Iowa, Montana, North Dakota, Oregon, Pennsylvania, and West Virginia. Colorado is among six states with legislation pending including Georgia, Kentucky, Minnesota, New Jersey, and Washington.

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Senate Action

Senate Business, Labor, and Technology Committee (March 27, 2017). At the hearing, representatives from the Colorado Bar Association discussed concerns with the bill. Representatives from the Land Title Association spoke neutrally about the bill and a representative from the Colorado Mortgage Lenders Association and Microsoft spoke in support of proposed amendments. A representative from the Uniform Law Commission and the Colorado Secretary of State's (SOS) office spoke in favor of the bill.

The committee adopted amendments L.002, L.003, L.005, and L.006, and referred the bill, as amended to the Senate Committee of the Whole. Amendment L.002 required the SOS to promulgate rules related to the use of electronic audio-visual medium when performing a notarial act and created a working group to advise the SOS in rule-making and implementation. Amendment L.003 permitted a retired notary to give his or her journal to the State Archives or the notary's firm for safekeeping for a required ten-year period. Amendment L.005 made technical changes to the bill including changing a scheduled repeal and sunset review for the act from 2022 to 2023. Amendment L.006 made technical changes to amendment L.002.

Senate second reading (March 30, 2017). The Senate adopted the Senate Business, Labor, and Technology Committee report and amendments No. 2 and No. 3. Amendment No. 2 modified the membership of the working group to include two representatives of Colorado financial institutions and a member of a national trade association with knowledge of emerging technologies for notarial acts. Amendment No. 3 allows a notary to maintain a copy of his or her journal in addition to the notary's firm or employer's copy. The Senate passed the bill on second reading, as amended.

Senate third reading (March 31, 2017). The Senate passed the bill on third reading with no amendments.

House Action

House State, Veterans, and Military Affairs Committee (April 19, 2017). At the hearing, representatives from the Land Title Association of Colorado and Notarize Inc. spoke in support of the bill. A representative from the Secretary of State's office spoke in opposition to the bill, but in support of a proposed amendment and the Colorado Bar Association spoke in support of the bill, if amended.

The committee adopted amendment L.014 and referred the bill, as amended, to the House Committee of the Whole. Amendment L.014 eliminated the requirement that the SOS promulgate rules related to the use of electronic audio-visual medium when performing a notarial act and eliminated the working group to advise the SOS in rule-making and implementation.

House second reading (April 21, 2017). The House adopted the House State, Veterans, and Military Affairs committee report. The House passed the bill on second reading, as amended.

House third reading (April 24, 2017). The House passed the bill on third reading with no amendments.