Senate Engrossed

State of Arizona Senate Fifty-fourth Legislature First Regular Session 2019

CHAPTER 56

SENATE BILL 1030

AN ACT

AMENDING SECTIONS 41-319 AND 41-330, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; AMENDING SECTION 44-7011, ARIZONA REVISED STATUTES; RELATING TO NOTARIES PUBLIC.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 41-319, Arizona Revised Statutes, is amended to 2 3 read: 4 41-319. <u>Journal</u> 5 A. The notary shall keep a paper journal and, except as prescribed by subsection E OF THIS SECTION, shall keep only one journal at a time. 6 7 The notary shall record all notarial acts in chronological order. The 8 notary shall furnish, when requested, a certified copy of any public 9 record in the notary's journal. Records of notarial acts that violate the 10 attorney-client privilege or that are confidential pursuant to federal or 11 state law are not a public record. Each journal entry shall include at 12 least: 13 1. The date of the notarial act. 14 2. A description of the document or type of notarial act. The printed full name, signature and address of each person for 15 3. 16 whom a notarial act is performed. 17 4. The type of satisfactory evidence of identity presented to the 18 notary by each person for whom a notarial act is performed, if other than 19 the notary's personal knowledge of the individual is used as satisfactory 20 evidence of identity. 21 5. A description of the identification document, its serial or 22 identification number and its date of issuance or expiration. 23 6. The fee, if any, charged for the notarial act. 24 If a notary has personal knowledge of the identity of a signer, Β. 25 the requirements of subsection A, paragraphs 1 through 5 OF THIS SECTION 26 may be satisfied by the notary retaining a paper or electronic copy of the 27 notarized documents for each notarial act. 28 C. If a notary does more than one notarization for an individual 29 within a six month period, the notary shall have the individual provide 30 satisfactory evidence of identity the first time the notary performs the 31 notarization for the individual but may not require satisfactory evidence 32 of identity or the individual to sign the journal for subsequent notarizations performed for the individual during the six month period. 33 34 D. If a notary performs more than one notarization of the same type 35 for a signer either on like documents or within the same document and at 36 the same time, the notary may group the documents together and make one 37 journal entry for the transaction. 38 E. If one or more entries in a notary public's journal are not 39 public records, the notary public may SHALL keep one journal that contains 40 entries that are not public records and one journal that contains entries that are public records. IF A NOTARY PUBLIC KEEPS ONLY ONE JOURNAL, THAT 41 JOURNAL IS PRESUMED TO BE A PUBLIC RECORD. A notary public's journal that 42 contains entries that are not public records is the property of the 43 employer of that notary public and shall be retained by that employer if 44 45 the notary public leaves that employment. A notary public's journal that

1 contains only public records is the property of the notary public without 2 regard to whether the notary public's employer purchased the journal or 3 provided the fees for the commissioning of the notary public.

F. Except as provided in subsections A and E OF THIS SECTION, the notary's journal is a public record that may be viewed by or copied for any member of the public, but only upon ON presentation to the notary of a written request that details the month and year of the notarial act, the name of the person whose signature was notarized and the type of document or transaction.

10 Sec. 2. Section 41-330, Arizona Revised Statutes, is amended to 11 read:

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41-330. <u>Grounds for refusal, revocation or suspension of</u> <u>commission</u>

A. The secretary of state may refuse to appoint any person as a notary public, or may revoke or suspend the commission of any notary public OR MAY REQUIRE THAT A NOTARY PUBLIC ATTEND A NOTARY TRAINING COURSE INSTEAD OF OR IN ADDITION TO A SUSPENSION for any of the following reasons:

19 1. Substantial and material misstatement or omission in the 20 application for a notary public commission that is submitted to the 21 secretary of state.

22 2. Conviction of a felony unless restored to civil rights, or of a 23 lesser offense involving moral turpitude or of a nature that is 24 incompatible with the duties of a notary public. A conviction after a 25 plea of no contest is deemed to be a conviction for purposes of this 26 paragraph.

3. Revocation, suspension, restriction or denial of a professional
license if that action was for misconduct, dishonesty or any cause that
substantially relates to the duties or responsibilities of a notary
public.

4. Failure to discharge fully and faithfully any of the duties orresponsibilities required of a notary public.

5. The use of false or misleading advertising in which the notary public has represented that the notary public has duties, rights or privileges that the notary public does not possess by law.

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6. Charging more than the fees authorized by statute or rule.

The commission of any act involving dishonesty, fraud or deceit
 with the intent to substantially benefit the notary public or another
 person or to substantially injure another person.

40 8. Failure to complete the acknowledgment or jurat at the time the 41 notary's signature and seal are affixed to the document.

42 9. Failure to administer the oath or affirmation required at the43 time of performing a jurat for an individual.

44 10. Execution of any notarial certificate by the notary public 45 containing a statement known by the notary public to be false. 1 11. The return for insufficient funds or any other reason for 2 nonpayment of a check issued for the bond filing fees or the application 3 fees to the secretary of state.

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12. Notarizing a document that contains no notarial certificate.

5 B. If an application is denied, the secretary of state shall notify 6 the applicant within thirty days after receipt of the application and 7 shall state the reasons for the denial. IF A PERSON APPEALS THE DENIAL OF 8 AN APPLICATION, THE PERSON MAY NOT SUBMIT A NEW APPLICATION FOR 9 CONSIDERATION WHILE THE APPEAL IS PENDING.

10 C. The secretary of state may suspend the commission of a notary 11 for at least thirty days and for not more than one hundred eighty days.

D. If a person has had a notary commission in this state revoked, THE PERSON MAY NOT SUBMIT A NEW APPLICATION FOR A NOTARY COMMISSION FOR ONE YEAR AFTER THE DATE OF THE REVOCATION. The secretary of state may refuse to again appoint the person as a notary public for an indefinite period of time.

17 E. On DENIAL OF AN APPLICATION OR revocation or suspension of a notary 18 public's commission, the secretary of state shall give notice to the 19 notary public PERSON and shall provide the person with notice of the 20 opportunity for a hearing on the DENIAL OF AN APPLICATION OR revocation or 21 suspension pursuant to chapter 6, article 10 of this title. The DENIAL OF 22 AN APPLICATION OR revocation or suspension of a notary public commission 23 is an appealable agency action.

24 Sec. 3. Title 41, chapter 2, Arizona Revised Statutes, is amended 25 by adding article 4, to read:

ARTICLE 4. REMOTE ONLINE NOTARIZATION

41-371. Definitions

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IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1. "COMMUNICATION TECHNOLOGY" MEANS AN ELECTRONIC DEVICE OR PROCESS
 THAT ALLOWS A NOTARY PUBLIC AND A REMOTELY LOCATED INDIVIDUAL TO
 COMMUNICATE WITH EACH OTHER SIMULTANEOUSLY BY SIGHT AND SOUND.

32 2. "CREDENTIAL ANALYSIS" MEANS A PROCESS OR SERVICE THAT MEETS THE
 33 STANDARDS ESTABLISHED UNDER SECTION 41-372 THROUGH WHICH A THIRD PERSON
 34 AFFIRMS THE VALIDITY OF AN IDENTIFICATION CREDENTIAL THROUGH REVIEW OF
 35 PUBLIC OR PRIVATE DATA SOURCES.

36 3. "ELECTRONIC" MEANS RELATING TO TECHNOLOGY HAVING ELECTRICAL,
 37 DIGITAL, MAGNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC OR SIMILAR
 38 CAPABILITIES.

39 4. "ELECTRONIC RECORD" MEANS INFORMATION THAT IS CREATED,40 GENERATED, SENT, COMMUNICATED, RECEIVED OR STORED BY ELECTRONIC MEANS.

5. "ELECTRONIC SEAL" MEANS AN ELECTRONIC IMAGE THAT CONTAINS
INFORMATION ATTACHED TO OR LOGICALLY ASSOCIATED WITH AN ELECTRONIC RECORD
AND THAT CONTAINS THE WORDS "NOTARY PUBLIC", THE NAME OF THE COUNTY IN
WHICH THE NOTARY PUBLIC IS COMMISSIONED, THE NOTARY PUBLIC'S NAME AS IT

1 APPEARS ON THE NOTARIAL COMMISSION, THE COMMISSION NUMBER AND THE EXPIRATION DATE OF THE NOTARIAL COMMISSION. 2 3 6. "ELECTRONIC SIGNATURE" HAS THE SAME MEANING PRESCRIBED IN 4 SECTION 41-351. 5 7. "FOREIGN STATE" MEANS A JURISDICTION OTHER THAN THE UNITED 6 STATES, A STATE OR A FEDERALLY RECOGNIZED INDIAN TRIBE. 7 8. "IDENTITY PROOFING" MEANS A PROCESS OR SERVICE THAT MEETS THE 8 STANDARDS ESTABLISHED UNDER SECTION 41-372 THROUGH WHICH A THIRD PERSON 9 AFFIRMS THE IDENTITY OF A REMOTELY LOCATED INDIVIDUAL BY A REVIEW OF 10 PERSONAL INFORMATION FROM PUBLIC OR PRIVATE DATA SOURCES. 11 9. "NOTARIAL ACT" MEANS AN ACT THAT IS PERFORMED BY A NOTARY PUBLIC 12 OF THIS STATE PURSUANT TO SECTION 41-313, SUBSECTION A. 10. "OUTSIDE THE UNITED STATES" MEANS A LOCATION OUTSIDE THE 13 14 GEOGRAPHIC BOUNDARIES OF THE UNITED STATES, PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS AND ANY TERRITORY, INSULAR POSSESSION OR OTHER LOCATION 15 16 SUBJECT TO THE JURISDICTION OF THE UNITED STATES. 17 11. "PERSON" MEANS AN INDIVIDUAL, CORPORATION, BUSINESS TRUST, STATUTORY TRUST, ESTATE, TRUST, PARTNERSHIP, LIMITED LIABILITY COMPANY, 18 ASSOCIATION, JOINT VENTURE, PUBLIC CORPORATION, GOVERNMENT OR GOVERNMENTAL 19 20 SUBDIVISION, AGENCY OR INSTRUMENTALITY OR ANY OTHER LEGAL OR COMMERCIAL 21 ENTITY. 22 12. "PERSONAL KNOWLEDGE" HAS THE SAME MEANING PRESCRIBED IN SECTION 23 41-311. 13. "REMOTELY LOCATED INDIVIDUAL" MEANS AN INDIVIDUAL WHO IS NOT IN 24 THE PHYSICAL PRESENCE OF THE NOTARY PUBLIC PERFORMING A REMOTE ONLINE 25 26 NOTARIZATION. 27 14. "REMOTE ONLINE NOTARIZATION" OR "REMOTE ONLINE NOTARIAL ACT" 28 MEANS A NOTARIAL ACT PERFORMED BY MEANS OF COMMUNICATION TECHNOLOGY. 15. "REMOTE PRESENTATION" MEANS TRANSMISSION TO A NOTARY PUBLIC 29 30 THROUGH COMMUNICATION TECHNOLOGY OF AN IMAGE OF A REMOTELY LOCATED INDIVIDUAL'S IDENTIFICATION CREDENTIAL THAT IS OF SUFFICIENT QUALITY TO 31 32 ENABLE THE NOTARY PUBLIC TO REASONABLY IDENTIFY THE REMOTELY LOCATED INDIVIDUAL AND TO PERFORM CREDENTIAL ANALYSIS. 33 16. "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT OF 34 35 COLUMBIA, PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS OR ANY TERRITORY 36 OR INSULAR POSSESSION SUBJECT TO THE JURISDICTION OF THE UNITED STATES. 37 41-372. Rules; standards 38 A. ON OR BEFORE JULY 1, 2020, THE SECRETARY OF STATE SHALL ADOPT 39 RULES TO FACILITATE REMOTE ONLINE NOTARIZATIONS. THE RULES SHALL INCLUDE 40 SUFFICIENT FORMS OF NOTARIAL CERTIFICATES FOR REMOTE ONLINE NOTARIZATIONS AND STANDARDS FOR APPLICATIONS AND REGISTRATION. COMMUNICATION TECHNOLOGY. 41 CREDENTIAL ANALYSIS, IDENTITY PROOFING AND RETENTION OF THE AUDIO AND 42 VISUAL RECORDING CREATED UNDER SECTION 41-374. 43

44 B. IN ADOPTING STANDARDS, THE SECRETARY OF STATE MAY REVIEW AND 45 CONSIDER STANDARDS ADOPTED BY NATIONAL STANDARD-SETTING ORGANIZATIONS.

1 2 3 4	41-373. <u>Authority to perform remote online notarizations</u> A NOTARY PUBLIC WHO IS PHYSICALLY LOCATED IN THIS STATE AND WHO IS AUTHORIZED TO PERFORM REMOTE ONLINE NOTARIZATIONS BY THE SECRETARY OF STATE MAY PERFORM A NOTARIAL ACT BY MEANS OF COMMUNICATION TECHNOLOGY FOR
5	A REMOTELY LOCATED INDIVIDUAL WHO IS PHYSICALLY LOCATED:
6	1. IN THIS STATE.
7	2. OUTSIDE THIS STATE BUT NOT OUTSIDE THE UNITED STATES.
8	3. OUTSIDE THE UNITED STATES IF BOTH OF THE FOLLOWING APPLY:
9	(a) THE ELECTRONIC RECORD IS EITHER:
10	(i) TO BE FILED WITH OR RELATES TO A MATTER BEFORE A COURT,
11	GOVERNMENTAL ENTITY, PUBLIC OFFICIAL OR OTHER ENTITY SUBJECT TO THE
12	JURISDICTION OF THE UNITED STATES.
13	(ii) INVOLVES PROPERTY THAT IS LOCATED IN THE TERRITORIAL
14	JURISDICTION OF THE UNITED STATES OR A TRANSACTION SUBSTANTIALLY CONNECTED
15	TO THE UNITED STATES.
16	(b) THE NOTARY PUBLIC HAS NO ACTUAL KNOWLEDGE THAT THE ACT OF
17	MAKING THE STATEMENT OR SIGNING THE ELECTRONIC RECORD IS PROHIBITED BY THE
18	FOREIGN STATE IN WHICH THE REMOTELY LOCATED INDIVIDUAL IS LOCATED.
19 20	41-374. <u>Electronic record of remote online notarizations</u> A. A NOTARY PUBLIC SHALL RECORD EACH REMOTE ONLINE NOTARIAL ACT
20 21	PERFORMED BY THE NOTARY PUBLIC IN CHRONOLOGICAL ORDER IN ONE OR MORE
22	JOURNALS MAINTAINED IN A PERMANENT, TAMPER-EVIDENT ELECTRONIC FORMAT THAT
23	COMPLIES WITH THE RULES ADOPTED BY THE SECRETARY OF STATE. A NOTARY
24	PUBLIC MAY NOT RECORD A REMOTE ONLINE NOTARIAL ACT IN A PAPER JOURNAL
25	REQUIRED BY SECTION 41-319. EACH JOURNAL ENTRY UNDER THIS SUBSECTION
26	SHALL INCLUDE:
27	1. THE DATE AND TIME OF THE NOTARIAL ACT.
28	2. A DESCRIPTION OF THE RECORD, IF ANY, AND TYPE OF NOTARIAL ACT.
29	3. THE FULL NAME AND ADDRESS OF EACH INDIVIDUAL FOR WHOM THE REMOTE
30	ONLINE NOTARIAL ACT IS PERFORMED.
31	4. IF THE IDENTITY OF THE INDIVIDUAL IS BASED ON PERSONAL
32	KNOWLEDGE, A STATEMENT TO THAT EFFECT.
33	5. IF THE IDENTITY OF THE INDIVIDUAL IS BASED ON CREDENTIAL
34	ANALYSIS AND IDENTITY PROOFING, A BRIEF DESCRIPTION OF THE RESULTS OF THE
35	IDENTITY VERIFICATION PROCESS AND THE IDENTIFICATION CREDENTIAL PRESENTED,
36	INCLUDING THE DATE OF ISSUANCE AND EXPIRATION OF THE IDENTIFICATION
37	CREDENTIAL BUT NOT ITS SERIAL OR IDENTIFICATION NUMBER.
38	6. IF THE IDENTITY OF THE INDIVIDUAL IS BASED ON AN OATH OR
39	AFFIRMATION OF A CREDIBLE WITNESS, THE INFORMATION REQUIRED BY PARAGRAPHS
40	3, 4 AND 5 OF THIS SUBSECTION WITH RESPECT TO THE CREDIBLE WITNESS.
41	7. A FEE, IF ANY, CHARGED BY THE NOTARY PUBLIC.
42	B. A NOTARY PUBLIC, OR A PERSON ACTING ON BEHALF OF THE NOTARY
43	PUBLIC, SHALL CREATE AN AUDIO AND VISUAL RECORDING OF THE PERFORMANCE OF
44	EACH REMOTE ONLINE NOTARIAL ACT.

1 C. A NOTARY PUBLIC SHALL TAKE REASONABLE STEPS TO: 1. ENSURE THE INTEGRITY, SECURITY AND AUTHENTICITY OF REMOTE ONLINE 2 3 NOTARIZATIONS. 2. MAINTAIN A BACKUP OF THE AUDIO AND VISUAL RECORDING REQUIRED BY 4 SUBSECTION B OF THIS SECTION AND AN ELECTRONIC JOURNAL KEPT BY THE NOTARY 5 6 PUBLIC UNDER SUBSECTION A OF THIS SECTION. 7 3. PROTECT THE BACKUP REQUIRED BY PARAGRAPH 2 OF THIS SUBSECTION 8 FROM UNAUTHORIZED USE. D. A NOTARY PUBLIC OR A GUARDIAN, CONSERVATOR OR AGENT OF THE 9 10 NOTARY PUBLIC OR A PERSONAL REPRESENTATIVE OF A DECEASED NOTARY PUBLIC SHALL RETAIN AN ELECTRONIC JOURNAL KEPT BY THE NOTARY PUBLIC PURSUANT TO 11 12 SUBSECTION A OF THIS SECTION AND THE AUDIO AND VISUAL RECORDING REQUIRED BY SUBSECTION B OF THIS SECTION OR CAUSE THE JOURNAL AND RECORDING TO BE 13 14 RETAINED BY A DEPOSITORY DESIGNATED BY OR ON BEHALF OF THE PERSON REQUIRED TO RETAIN THE JOURNAL AND RECORDING. THE JOURNAL AND RECORDING SHALL BE 15 16 RETAINED FOR AT LEAST FIVE YEARS AFTER THE DATE OF THE REMOTE ONLINE 17 NOTARIAL ACT. E. AN ELECTRONIC JOURNAL KEPT BY THE NOTARY PUBLIC PURSUANT TO 18 SUBSECTION A OF THIS SECTION AND THE AUDIO AND VISUAL RECORDING REQUIRED 19 20 BY SUBSECTION B OF THIS SECTION ARE: 21 1. SUBJECT TO SECTION 41-319 RELATING TO PUBLIC RECORDS. 22 2. NOT SUBJECT TO SECTION 41-317. 23 41-375. Use of electronic signature and electronic seal A. IN PERFORMING A REMOTE ONLINE NOTARIZATION. A NOTARY PUBLIC 24 SHALL ATTACH OR LOGICALLY ASSOCIATE THE NOTARY PUBLIC'S ELECTRONIC 25 SIGNATURE AND ELECTRONIC SEAL TO THE NOTARIAL CERTIFICATE IN A 26 TAMPER-EVIDENT FORMAT. THE ELECTRONIC SEAL MUST BE CAPABLE OF BEING 27 COPIED TOGETHER WITH THE ELECTRONIC RECORD TO WHICH IT IS ATTACHED OR WITH 28 WHICH IT IS LOGICALLY ASSOCIATED. THE NOTARIAL CERTIFICATE MUST BE 29 30 ATTACHED TO OR LOGICALLY ASSOCIATED WITH THE ELECTRONIC RECORD THAT IS THE SUBJECT OF THE REMOTE ONLINE NOTARIAL ACT. IF THE SECRETARY OF STATE 31 32 ESTABLISHES STANDARDS UNDER SECTION 41-352 OR 41-372 FOR ATTACHING OR LOGICALLY ASSOCIATING THE ELECTRONIC SIGNATURE, ELECTRONIC SEAL OR 33 34 NOTARIAL CERTIFICATE, THE PROCESS MUST CONFORM TO THE STANDARDS. B. A NOTARY PUBLIC'S USE OF AN ELECTRONIC SEAL SATISFIES THE 35 36 REQUIREMENT OF SECTION 41-313, SUBSECTION D, PARAGRAPH 3 TO AUTHENTICATE 37 THE REMOTE ONLINE NOTARIAL ACT. 38 C. A NOTARY PUBLIC SHALL TAKE REASONABLE STEPS TO PROTECT THE NOTARY PUBLIC'S ELECTRONIC SEAL FROM UNAUTHORIZED USE. A NOTARY PUBLIC 39 40 MAY NOT ALLOW ANOTHER PERSON TO USE THE NOTARY PUBLIC'S ELECTRONIC SEAL. D. A NOTARY PUBLIC SHALL IMMEDIATELY NOTIFY AN APPROPRIATE LAW 41 ENFORCEMENT AGENCY AND THE SECRETARY OF STATE ON ACTUAL KNOWLEDGE OF THE 42 THEFT OR VANDALISM OF THE NOTARY PUBLIC'S ELECTRONIC SEAL OR ELECTRONIC 43 JOURNAL. A NOTARY PUBLIC SHALL IMMEDIATELY NOTIFY THE SECRETARY OF STATE 44

1 ON ACTUAL KNOWLEDGE OF THE LOSS OR USE BY ANOTHER PERSON OF THE NOTARY PUBLIC'S ELECTRONIC SEAL OR ELECTRONIC JOURNAL. 2 E. A NOTARY PUBLIC'S POSSESSION OR USE OF AN ELECTRONIC SEAL FOR AN 3 ELECTRONIC NOTARIZATION UNDER ARTICLE 3 OF THIS CHAPTER OR FOR A REMOTE 4 ONLINE NOTARIZATION IS NOT A VIOLATION OF SECTION 41-321, SUBSECTION B. 5 6 41-376. <u>Remote online notarization procedures</u> 7 A. BEFORE PERFORMING A REMOTE ONLINE NOTARIZATION. A NOTARY PUBLIC 8 SHALL: 1. REASONABLY CONFIRM THAT AN ELECTRONIC RECORD BEFORE THE NOTARY 9 10 PUBLIC IS THE SAME ELECTRONIC RECORD IN WHICH THE REMOTELY LOCATED INDIVIDUAL MADE A STATEMENT OR ON WHICH THE REMOTELY LOCATED INDIVIDUAL 11 12 EXECUTED OR ADOPTED A SIGNATURE. 2. TAKE REASONABLE STEPS TO ENSURE THAT THE 13 COMMUNICATION 14 TECHNOLOGY USED IN THE REMOTE ONLINE NOTARIZATION IS SECURE FROM 15 UNAUTHORIZED INTERCEPTION. 16 B. IN PERFORMING A REMOTE ONLINE NOTARIZATION FOR A REMOTELY 17 LOCATED INDIVIDUAL, A NOTARY PUBLIC SHALL REASONABLY VERIFY THE IDENTITY OF THE INDIVIDUAL BY ANY OF THE FOLLOWING: 18 1. THE NOTARY PUBLIC'S PERSONAL KNOWLEDGE OF THE INDIVIDUAL. 19 20 2. EACH OF THE FOLLOWING: (a) THE INDIVIDUAL'S REMOTE PRESENTATION OF AN IDENTIFICATION 21 CREDENTIAL THAT CONSTITUTES SATISFACTORY EVIDENCE OF IDENTITY AS DEFINED 22 IN SECTION 41-311. 23 (b) CREDENTIAL ANALYSIS OF THE IDENTIFICATION CREDENTIAL DESCRIBED 24 25 IN SUBDIVISION (a) OF THIS PARAGRAPH. (c) IDENTITY PROOFING OF THE INDIVIDUAL. 26 27 3. THE OATH OR AFFIRMATION OF A CREDIBLE WITNESS WITH PERSONAL KNOWLEDGE OF THE INDIVIDUAL WHO APPEARS BEFORE AND IS IDENTIFIED BY THE 28 NOTARY PUBLIC EITHER: 29 30 (a) THROUGH SATISFACTORY EVIDENCE OF IDENTITY AS DEFINED IN SECTION 31 41-311 WHILE IN THE PHYSICAL PRESENCE OF THE NOTARY PUBLIC. 32 (b) AS A REMOTELY LOCATED INDIVIDUAL UNDER PARAGRAPH 1 OR 2 OF THIS SUBSECTION. 33 C. A NOTARY PUBLIC MAY: 34 35 1. REQUIRE A REMOTELY LOCATED INDIVIDUAL TO PROVIDE ADDITIONAL INFORMATION NECESSARY TO ASSURE THE NOTARY PUBLIC OF THE IDENTITY OF THE 36 37 INDIVIDUAL. 38 2. REFUSE TO PERFORM A REMOTE ONLINE NOTARIZATION IF THE NOTARY PUBLIC IS NOT SATISFIED AS TO THE IDENTITY OF THE REMOTELY LOCATED 39 40 INDIVIDUAL. D. NOTWITHSTANDING SECTION 41-313, SUBSECTION B, PARAGRAPH 3, A 41 TRANSLATOR MAY BE A REMOTELY LOCATED INDIVIDUAL IF THE TRANSLATOR, SIGNER 42 AND NOTARY PUBLIC COMMUNICATE BY MEANS OF COMMUNICATION TECHNOLOGY. 43

1 E. SECTION 41-319, SUBSECTION C DOES NOT APPLY TO REMOTE ONLINE 2 NOTARIZATIONS.

3 F. THE NOTARIAL CERTIFICATE FOR A REMOTE ONLINE NOTARIZATION MUST 4 INDICATE THAT THE NOTARIAL ACT WAS A REMOTE ONLINE NOTARIZATION PERFORMED 5 BY MEANS OF COMMUNICATION TECHNOLOGY. A NOTARIAL CERTIFICATE IS 6 SUFFICIENT TO SATISFY THE REQUIREMENT OF THIS SUBSECTION IF IT EITHER:

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1. COMPLIES WITH RULES ADOPTED UNDER SECTION 41-372.

8 2. IS IN A FORM OTHERWISE SUFFICIENT UNDER THE LAWS OF THIS STATE
9 AND CONTAINS A STATEMENT SUBSTANTIALLY AS FOLLOWS: "THIS REMOTE ONLINE
10 NOTARIZATION INVOLVED THE USE OF COMMUNICATION TECHNOLOGY".

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41-377. <u>Termination of notary public commission</u>

12 A. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION. A NOTARY PUBLIC WHO IS AUTHORIZED TO PERFORM REMOTE ONLINE NOTARIZATIONS AND WHOSE 13 14 COMMISSION IS TERMINATED OR REVOKED SHALL DESTROY THE CODING, DISK, CERTIFICATE, CARD, SOFTWARE OR PASSWORD THAT ENABLES THE NOTARY PUBLIC TO 15 16 ATTACH OR LOGICALLY ASSOCIATE THE NOTARY PUBLIC'S ELECTRONIC SIGNATURE AND 17 ELECTRONIC SEAL TO AN ELECTRONIC RECORD AND SHALL CERTIFY COMPLIANCE WITH THIS SUBSECTION TO THE SECRETARY OF STATE. ON THE DEATH OR ADJUDICATION 18 OF INCOMPETENCY OF A NOTARY PUBLIC. THE NOTARY PUBLIC'S PERSONAL 19 REPRESENTATIVE OR GUARDIAN SHALL COMPLY WITH THIS SUBSECTION. 20

B. A FORMER NOTARY PUBLIC WHOSE COMMISSION TERMINATED FOR A REASON
OTHER THAN REVOCATION OR DENIAL OF RENEWAL IS NOT REQUIRED TO DESTROY THE
ITEMS DESCRIBED BY SUBSECTION A OF THIS SECTION IF THE FORMER NOTARY
PUBLIC IS RECOMMISSIONED AS A NOTARY PUBLIC WITHIN THREE MONTHS AFTER THE
TERMINATION OF THE NOTARY PUBLIC'S FORMER COMMISSION.

26 C. A NOTARY PUBLIC'S ELECTRONIC SEAL IS NOT SUBJECT TO SECTION 27 41-317, SUBSECTION B.

D. THE TERMINATION OF A NOTARY PUBLIC'S COMMISSION DOES NOT AFFECT
 THE RETENTION REQUIREMENTS OF SECTION 41-374, SUBSECTION D.

30 31 41-378. <u>Legal recognition and validity of remote online</u> notarizations

A. A REMOTE ONLINE NOTARIZATION SATISFIES ANY LAW OF THIS STATE
THAT REQUIRES AN INDIVIDUAL TO APPEAR BEFORE, APPEAR PERSONALLY BEFORE OR
BE IN THE PRESENCE OF A NOTARY PUBLIC AT THE TIME OF THE PERFORMANCE OF
THE NOTARIAL ACT.

B. A NOTARY PUBLIC'S VERIFICATION OF A REMOTELY LOCATED
INDIVIDUAL'S IDENTITY PURSUANT TO SECTION 41-376, SUBSECTION B SATISFIES
ANY LAW OF THIS STATE THAT REQUIRES THE NOTARY PUBLIC TO OBTAIN
SATISFACTORY EVIDENCE OF IDENTITY OF THE INDIVIDUAL FOR A REMOTE ONLINE
NOTARIZATION.

41 C. THE FAILURE OF A NOTARY PUBLIC TO PERFORM A DUTY OR MEET A 42 REQUIREMENT PRESCRIBED IN THIS ARTICLE DOES NOT INVALIDATE A REMOTE ONLINE 43 NOTARIAL ACT PERFORMED BY THE NOTARY PUBLIC. A VALID REMOTE ONLINE 44 NOTARIAL ACT DOES NOT PREVENT AN AGGRIEVED PERSON FROM SEEKING TO 45 INVALIDATE THE ELECTRONIC RECORD OR TRANSACTION THAT IS THE SUBJECT OF THE

1 REMOTE ONLINE NOTARIAL ACT OR FROM SEEKING OTHER REMEDIES BASED ON STATE OR FEDERAL LAW. THIS SUBSECTION DOES NOT VALIDATE A PURPORTED REMOTE 2 ONLINE NOTARIAL ACT THAT IS PERFORMED BY AN INDIVIDUAL WHO IS NOT 3 4 AUTHORIZED TO PERFORM REMOTE ONLINE NOTARIAL ACTS. 41-379. Applicable law; conflict of laws 5 6 A. THE VALIDITY OF A REMOTE ONLINE NOTARIZATION SHALL BE DETERMINED BY APPLYING THE LAWS OF THIS STATE, REGARDLESS OF THE PHYSICAL LOCATION OF 7 8 THE REMOTELY LOCATED INDIVIDUAL AT THE TIME OF THE REMOTE ONLINE 9 NOTARIZATION. 10 B. A NOTARY PUBLIC WHO IS AUTHORIZED TO PERFORM REMOTE ONLINE 11 NOTARIZATIONS IS SUBJECT TO AND MUST COMPLY WITH THIS CHAPTER EXCEPT AS 12 MODIFIED OR SUPPLEMENTED BY THIS ARTICLE. C. IF A CONFLICT BETWEEN THIS ARTICLE AND ANY OTHER LAW OF THIS 13 14 STATE EXISTS, THIS ARTICLE CONTROLS. 41-380. Relation to electronic signatures in global and 15 16 national commerce act 17 THIS ARTICLE MODIFIES, LIMITS AND SUPERSEDES THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT (P.L. 106-229; 114 STAT. 18 464; 15 UNITED STATES CODE SECTIONS 7001 THROUGH 7031), BUT DOES NOT 19 20 MODIFY, LIMIT OR SUPERSEDE 15 UNITED STATES CODE SECTION 7001(c) OR AUTHORIZE ELECTRONIC DELIVERY OF ANY OF THE NOTICES DESCRIBED IN 15 UNITED 21 22 STATES CODE SECTION 7003(b). Sec. 4. Section 44-7011, Arizona Revised Statutes, is amended to 23 24 read: 25 44-7011. Notarization; acknowledgment Notwithstanding title 41, chapter 2, article 2, if the law requires 26 27 a signature or record to be notarized, acknowledged, verified or made 28 under oath, that requirement is satisfied if a notary completes a notarial 29 act CERTIFICATE on the electronic message or document RECORD. That 30 notarial act CERTIFICATE on the electronic message or document RECORD is complete without the imprint OR PERCEIVABLE IMAGE of the notary's seal if 31 32 all of the following apply: 33 1. The electronic message or document RECORD is signed pursuant to 34 this chapter or section 18-106 in the presence of a notary. 35 2. The notary confirms REASONABLY VERIFIES that the electronic 36 signature on the electronic message or document RECORD is verifiably the electronic signature EXECUTED OR ADOPTED BY THE SIGNER PURSUANT TO THIS 37 38 CHAPTER OR issued to the signer pursuant to this chapter or section 39 18-106. 40 3. The notary electronically signs with an electronic signature that is consistent with this chapter or any other applicable law. 41 42 4. The following information appears electronically within the message RECORD electronically signed by the notary: 43

44 (a) The notary's full name and commission number exactly as it45 appears on the notary's commission.

(b) The words "electronic notary public", "state of Arizona" and
"my commission expires on (date)".
(c) The address of the notary's principal place of contact exactly
as it appears on the notary's commission.
(d) The notary's e-mail or other electronic address exactly as it
appears on the notary's commission.
Sec. 5. Effective date
This act is effective from and after June 30, 2020.

APPROVED BY THE GOVERNOR APRIL 10, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 10, 2019.