

**RULE IMPACT STATEMENT
FOR PROPOSED PERMANENT RULES**

**TITLE 655. SECRETARY OF STATE
CHAPTER 25. NOTARY PUBLIC**

Authority: 49 O.S., § 203

1. Brief description of the proposed rules:

Amendments and additions to Chapter 25 of the Secretary of State's administrative rules [OAC 655:25] are proposed to implement the Remote Online Notary Act, as enacted in SB 915 (2019), effective January 1, 2020.

These proposed permanent rules will supersede the emergency rules that were approved by the Governor on December 18, 2019, effective January 1, 2020. The proposed permanent rules are identical to the emergency rules they will supersede.

Outdated provisions, related to the commissioning of traditional notaries, are amended to comply with SB 915 (2019) and Title 49 of the Oklahoma Statutes.

A new provision is added to allow electronic notarizations, aligning notary public rules with SB 915 (2019) and the Oklahoma Uniform Electronic Transactions Act (UETA), 12A O.S., §15 - 111.

References relating to the format of the official seal are being amended to allow electronic, official seals, as authorized in SB 915 (2019).

Registration requirements for performing a remote online notarization are outlined, including a requirement that the applicant provide detailed information on his or her service provider.

Tamper-evident technology standards are added to safeguard the notary's digital certificate, which is used during the remote online notarization process.

A new provision requiring multi-factor authentication is being added to ensure the principal's identity is verified prior to any remote online notarization.

Standards for communication technology are added to ensure integrity and security of audio/video feeds during remote online notarizations.

A new provision requiring electronic journals for remote online notarizations is added, including language detailing storage and retention requirements for journals and audio-visual feeds.

A new Appendix A has been added that includes versions of sufficient forms of notarial certificates for remote online notarizations.

2. Classes of persons who will be affected by the proposed rules, including classes that will bear the costs, and information on cost impacts received from private or public entities:

These proposed rules affect notaries public who request written authorization to perform remote online notarization acts. A \$25.00 application fee for requesting authorization is set forth in SB 915 (2019) and referenced in the proposed rules.

3. Classes of persons who will benefit from the proposed rules:

The state's business community will benefit from the proposed rules. The implementation of remote online notarization modernizes the notarization process, allowing businesses to notarize documents remotely over the internet.

4. Probable economic impact of the proposed rules upon affected classes of persons or political subdivisions, including a listing of and justification for all fee changes:

The proposed rules reference the \$25.00 application fee set forth in SB 915(2019). This filing fee applies to currently commissioned notaries who request authorization to perform remote online notarizations.

5. Probable costs and benefits to agency and to any other agency of the implementation and enforcement of rules; anticipated effect on state revenues, including a projected net loss or gain in such revenues (if it can be projected by agency):

There should be no additional costs to the Secretary of State or to any other agency as a result of implementation or enforcement of these rules. The proposed rules should result in a small increase in state revenues. The \$25.00 application fee is estimated to increase revenues by approximately \$5,000.

6. **Determination of whether implementation of proposed rules will have economic impact on small business:**

The proposed rules should have a positive economic impact on small business. See #3.

7. **Explanation of measures taken to minimize compliance costs; determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rules:**

There are no known compliance costs, and no known *less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule[s]* [75:303(D)(2)(b)].

8. **Determination of effect of proposed rules on public health, safety, and environment and, if designed to reduce risk to public health, safety, and environment, an explanation of the risk and to what extent the proposed rules will reduce the risk:**

The proposed rules do not impact public health, safety, or environment.

9. **Determination of any detrimental effect on public health, safety, and environment if proposed rules are not implemented:**

The proposed rules do not impact public health, safety, or environment.

10. **Date rule impact statement was prepared:**

January 21, 2020