

July 20, 2022

The Honorable Frank Pallone
Chair
House Committee on Energy &
Commerce
2107 Rayburn House Office Building
Washington, DC 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
House Committee on Energy &
Commerce
1035 Longworth House Office Building
Washington, DC 20515

Dear Chair Pallone and Ranking Member McMorris Rodgers:

On behalf of the 1.5 million members of the National Association of REALTORS® (NAR), I write to you applauding the work of the Committee for including H.R. 3962, the *Securing and Enabling Commerce Using Remote and Electronic Notarization (SECURE) Act* of 2021, in the Committee's upcoming markup. The *SECURE Notarization Act* would provide meaningful relief to America's homeowners and prospective buyers by allowing immediate, nationwide use of remote online notarization technology.

A host of online tools allow real estate professionals to manage many aspects of a property transaction without touching a sheet of paper, and knowing how to use this technology is key to running a successful business. In much the same way that many are now working remotely, allowing for remote online notarizations (RONs) will permit a notary and signer, who are in different physical locations, to safely and securely execute electronic documents. The *SECURE Notarization Act* allows businesses and consumers the ability to execute critical documents using two-way audiovisual communication. Current requirements for a signer to physically be in the presence of a notary are often impractical and sometimes impossible due to social distancing constraints resulting from the COVID-19 pandemic.

Since 2018, NAR has supported remote online notarization by encouraging the passage of laws, regulations, and standards which advance, enable, and support the interstate adoption and recognition of remote notarization across all U.S. states and territories. Currently, 43 states have approved the permanent use of RON technology. The *SECURE Notarization Act* would expand the availability of RON to consumers in all states, provide certainty for interstate recognition of RON, and establish minimum standards to ensure strong consumer protections. If a state has already passed a RON law that meets the minimum national standards outlined, that state's law would supersede the national law.

To address fraud and security concerns, the *SECURE Notarization Act* requires multi-factor authentication, the use of tamper-evident technology, and the use of two-way, real-time audiovisual technology to enable the signer and notary to see and hear each other simultaneously. Multifactor authentication is the gold standard for identity proofing, as it requires a person to confirm their identity using at least two different methods of verification, which significantly reduces the chances for fraud. Remote online notarization utilizes two of the most common third-party identity proofing measures available in the market today – credential analysis and knowledge-based authentication questions. These are tried and true verification methods used by many industries, as they are the strongest

procedures widely available today. Additionally, authorized companies offering this technology use encrypted communication methods to protect against hacking or intrusion.

Remote online notarization is a convenient alternative to traditional in-person notarization for all consumers, but it is particularly beneficial to consumers who are unable to easily travel to access notarial services. Examples of this include active-duty military stationed overseas, child and elder caregivers, sick or elderly persons, and those exercising social distancing measures.

The reliability and validity of notarized public records is central to the real estate market and provides a foundation for all parties when mortgaging, purchasing, and selling real property. RON is a critical tool for ensuring that all businesses and consumers can continue executing and notarizing critical documents. We urge support of the *SECURE Notarization Act* and applaud the Committee for its efforts to promote more accessible, efficient, and secure real estate transactions.

Sincerely,



Leslie Rouda Smith
2022 President, National Association of REALTORS®