



**OFFICE OF THE  
SECRETARY OF STATE**

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066  
LCB FILE No. R065-19**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 240.

**1. A clear and concise explanation of the need for the adopted regulation.**

This regulation is necessary to update NAC Chapter 240 to comply with the implementation of the Electronic Notary Authorization Act as required by AB413 of the 2017 Session of the Nevada Legislature and NRS Chapter 240. The regulations propose to establish provisions related to the registration of a person as an electronic notary public; impose certain duties and prohibitions on electronic notaries public; adopt provisions governing the performance of an electronic notarial act using audio-video communication; establish requirements related to the electronic seal of an electronic notary public and the electronic journal kept by an electronic notary public; and adopt requirements for the use of a solution provider by an electronic notary public to perform electronic notarial acts. These regulations were adopted as temporary regulations in 2018 and it is necessary to conduct a workshop and adoption hearing to make them permanent and put into Legislative Counsel Bureau format.

**2. A description of how public comment was solicited, a summary of the public response, and an explanation of how other interested persons may obtain a copy of the summary.**

Copies of the proposed regulations, notices of workshop and notices of intent to act upon the regulation were sent by email to persons who were known to have an interest in the subject of electronic notarization as well as any persons who specifically requested such notice. These documents were also made available at the website of the Secretary of State, [nvsos.gov](http://nvsos.gov), and mailed to all county libraries in Nevada and posted at the following locations:

Nevada Secretary of State's Office  
Capitol Bldg. Main Lobby  
2250 Las Vegas Blvd. North, Suite 400  
North Las Vegas, Nevada 89030

Nevada State Library & Archives  
100 North Stewart Street  
Carson City, Nevada 89701

Nevada State Legislative Building  
401 South Carson Street  
Carson City, Nevada 89710

State Capitol  
100 North Carson Street  
Carson City, NV 89701

Grant Sawyer Building  
555 E. Washington Blvd  
Las Vegas, Nevada 89101

A Workshop to Solicit Public Comment was held on November 27, 2019. Thereafter, on December 13, 2019, the Secretary of State's office, Notary Division, held a hearing to Act Upon Regulations.

A copy of this summary of the public response to the proposed regulation may be obtained from the Nevada Secretary of State's Office, 202 North Carson Street, Carson City, Nevada 89701, 775-684-5708, or email to [lmuller@sos.nv.gov](mailto:lmuller@sos.nv.gov).

**3. The number persons who:**

- (a) **Attended each hearing:** November 27, 2019: 11 ; December 13, 2019: 6
- (b) **Testified at each hearing:** November 27, 2019: 03 ; December 13, 2019: 0
- (c) **Submitted to the agency written comments:** 2

**4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit A.**

**5. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

During the Public Workshop held on November 27, 2019, there were 2 persons that gave public comment. Mr. Steve Dover (did not sign in) asked a question about documents partially notarized electronically and then again in paper format, when there were multiple parties. It was determined that current notary law and the proposed regulation would apply, but that the issue as a whole would be researched further. Ms. Sylvia Turk-Smith of Western Title Company gave public comment relating to "papering out" of electronically notarized documents. This is a new issue and will require additional research and possible future changes to the regulations. This was the first time this potential issue had come to light and we committed to looking into it for future legislative or regulatory changes. When written remarks were requested, Ms. Turk-Smith provided a copy of Texas Regulations adopted earlier in the year that addressed similar concerns.

Written comments were received prior to the workshop from Mr. Christopher Hultzman relating to a clarification to Section 15, that it be clear that this section was related to notary acts performed using audio-video communication. He also had a concern about the Notary's signature provisions.

In discussion with our Deputy Attorney General, it was determined that the papering out provisions and the signature provisions may not be necessary, but would take some additional research and if changes were necessary these would be substantive and would be better suited for future consideration and not delay the adoption of these regulations.

We have revised Section 15 to clarify that it pertained to notarial acts performed using audio-video communication.

There was no public comment offered at the December 13, 2019 Hearing to Act upon Proposed Regulations. There were no responses other than as described above.

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

- 6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

See answer to #5 above.

- 7. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:  
(a) Both adverse and beneficial effects; and (b) Both immediate and long-term effects.**

There is no adverse immediate or long-term economic effect estimated for the businesses that offer electronic notarization.

The estimated beneficial immediate and long-term economic effect on the businesses regulated by the Secretary of State's office is a new avenue of e-commerce revenue and convenience of service for their customer-base. For stakeholders in the mortgage industry, it is anticipated that loan package completion time will be reduced from weeks to days with the implementation of electronic notarization.

There is no estimated economic effect on the public that may use electronic notarization, other than the possible incidental saving of travel expenses when using audio-visual communication to have a signature notarized as compared to traveling to a notary for a traditional notarization.

- 8. The estimated cost to the agency for enforcement of the adopted regulation.**

There is no additional cost to the agency for enforcement of this regulation.

- 9. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

There are no other state or government agency regulations that the proposed regulation duplicates.

- 10. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

There are no federal regulations that apply.

- 11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

This regulation does not create or increase any existing fee; already in NRS.