

Judiciary Committee JOINT FAVORABLE REPORT

Bill No.: HB-6605

AN ACT CONCERNING BUSINESS REGISTRATIONS, TRADE NAMES, THE
COMMERCIAL RECORDING DIVISION WITHIN THE OFFICE OF THE

Title: SECRETARY OF THE STATE AND COMMERCIAL REGISTERED AGENTS.

Vote Date: 3/29/2021

Vote Action: Joint Favorable Substitute

PH Date: 3/15/2021

File No.: 478

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SPONSORS OF BILL:

The Judiciary Committee

REASONS FOR BILL:

This bill revises various provisions regarding trade names, the registration of business entities within the state, the name of the Commercial Recording Division which will be changed to the Business Services Division in the Secretary of the State's office. This bill would create a list of commercial registered agents in the state.

SUBSTITUTE LANGUAGE:

The substitute language removes sections 35 through 37 from the legislation. This section would have allowed for the remote notarization of documents.

RESPONSE FROM ADMINISTRATION/AGENCY:

State of Connecticut, Secretary of the State, Denise Merrill supports this bill but expresses that sections 35-37 should be removed and states that this bill is the Secretary of the State's effort to assist in the replacement of the business registry system, CONCORD, in conjunction with the larger Business One Stop initiative. The Office of the Secretary of State is opposed to sections 35-37 which codify an Executive Order that allows online notarization in which it was stated that this measure was meant to be a temporary provision during the COVID-19 pandemic and was not intended to be a permanent solution. It is also stated that the opposed section was addressed in a different bill and should be debated in association with that bill.

NATURE AND SOURCES OF SUPPORT:

Connecticut Town Clerks Association, 1st Vice President and Berlin Town Clerk, Kate Wall supports the section of this bill regarding trade names and states that this bill would provide a uniform Trade Name application and would provide greater ability for the public to search where the trade name has been filed and the principals behind the name of the company.

NATURE AND SOURCES OF OPPOSITION:

Note: Most of the following testimony stands in opposition to sections 35-37, which have been stricken from the legislation.

Connecticut Attorneys Title Insurance Company, Chief Compliance Officer, Richard Hogan opposes sections 35-37 of this bill and states that this part of the proposed legislation would codify Governor Lamont's Executive Order which allowed remote ink notarization during the COVID-19 pandemic. It is stated that there is concern over the security of this process.

Keily Mira Law, Attorney, Paul A. Keily Esq. opposes section 35 of this bill which would allow the virtual signing and notarizing of documents, which the testifier notes may invite fraud.

Connecticut Bar Association, Chair of Estates and Probate Section, Heather Lange Esq.; opposes section 35 of this bill which would allow the virtual signing and notarization of estate planning documents. Concern is expressed over the accessibility of this for individuals who may not understand the technology enough to navigate the virtual process, and several questions are raised asking how this process would be sufficient to meet previously established guidelines set for traditional notarization.

Ford & Paulekas LLP, Houston Putnam Lowry Esq. opposes parts of this bill, specifically the sections that address a third party being present for an oath which is stated to not be necessary, the sections that address tradename certificates, and the sections which address notarial acts. Opposition is stated regarding notarial acts. It is stated that the provisions may not be suitable practices in present time.

First American Title Insurance Company, Vice President and State Manager, Joshua Luksberg Esq. opposes sections 35-37 of this bill and states that this would codify Governor Lamont's Executive Order which allowed remote notarization during the COVID-19 pandemic. Understandably the Governor's Executive Order was necessary to minimize the spread of COVID-19 to protect the health & safety of citizens. Long term however, a permanent long-term notarization plan must include stronger consumer safeguards against fraud rather than the plan envisioned in this bill.

Connecticut Town Clerks Association, President and Town of Windsor Town Clerk, Anna Posniak opposes sections 35-37 of this bill and states that this would codify Governor Lamont's Executive Order which allowed remote notarization during the COVID-19 pandemic. It is stated that there is concern that this language does not meet nationally recognized standards set forth in the Revised Uniform Law on Notarial Acts (RULONA) that are needed for interstate commerce in a post-COVID world.

Romano Parker & Associates, Michael F. Romano Esq. opposes the sections of this bill regarding the notarization process and expresses concern over the security of notarization if these provisions were passed.

Connecticut State Library, State Librarian, Deborah Schander opposes section 35-37 of this bill and states that this would codify Governor Lamont's Executive Order which allowed remote notarization during the Covid-19 pandemic. It's stated that Connecticut should follow the national model for remote notarization instead.

Attorney, Keith S. Shaw, Esq. opposes the section of this bill regarding the notarization process and the allowance of online notarization and states that most attorneys that he was aware of still completed this process in person rather than online due to security concerns.

Reported by: Justin Kaiser

Date: 4/8/2021