



TESTIMONY  
OF  
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For

PUBLIC HEARING  
ASSEMBLY STANDING COMMITTEE ON GOVERNMENTAL OPERATIONS  
ASSEMBLY STANDING COMMITTEE ON CONSUMER AFFAIRS & PROTECTION  
ASSEMBLY STANDING COMMITTEE ON BANKS  
ASSEMBLY STANDING COMMITTEE ON JUDICIARY

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Thank you Assemblyman Zebrowski, Assemblywoman Rozic, Assemblyman Pichardo, Assemblyman Lavine, and all the members of the Legislature, for the opportunity to comment on the issue of adopting electronic and remote notarization measures. As President and CEO, I am submitting this testimony on behalf of the New York Bankers Association (NYBA). NYBA is comprised of small, regional, and large banks across every region of New York State. Together NYBA members employ nearly 200,000 New Yorkers, safeguard \$2 trillion in deposits, and extend nearly \$70 billion in home and small business loans.

NYBA supports efforts to make electronic and remote notarization standardized and permanent in New York State. Currently, 29 other states have statutes that allow their notaries to offer electronic and remote notarization services, including Colorado, Florida, Ohio, Texas, Vermont, Virginia, and Washington. As the legislature considers similar measures, NYBA respectfully encourages lawmakers to consider a comprehensive approach to permit electronic and remote notarization in a consistent, secure manner.

Over the course of the past year, the banking industry has worked diligently as an essential service to ensure individuals continued access to a broad spectrum of banking services safely, ranging from drive through access for banking transactions to the ability to obtain mortgages remotely. During this critical time banks, as mortgage lenders, continued to provide credit to consumers in need of liquidity or providing refinancing to help homeowners take advantage of lower interest rates. As a way to protect the health and safety of customers and bank employees, banks were able to effectively and securely close mortgage loans through the use of electronic and remote notarization, made available through an Executive Order issued in March 2020.

The COVID-19 pandemic has proven the effectiveness and security of electronic and remote notarization in order for banks to ensure continuity of business for customers and enable transactions to continue uniformly. Our member banks' experience in 2020 showed that electronic and remote notarization reduced the need for potentially hazardous in-person transactions during the pandemic, while also providing uninterrupted, secure services to maintain the crucial flow of commerce.

The use of electronic means also greatly enhanced the ease of these transactions for our customers. Over the past year, consumers have become more accustomed to digital banking, and its emphasis on both convenience and enhanced security. Electronic notarizations further allow bank customers to engage in these efficient and modernized approaches to financial transactions. Furthermore, electronic and remote notarization offers expanded, streamlined access to individuals with accessibility issues. Among others, military service members, veterans, people with mobility limitations, and individuals in remote communities will benefit from continued access to electronic and remote notarization services once made permanent.

As such, the emergency measures currently in place indicate the accelerated need to adopt technologies that ensure a standardized approach to electronic and remote notarization while making such provisions permanent for business to continue in a safe, efficient manner. Safeguards found in the current legislative proposal, A.399A (Rozic)/S.1780B (Skoufis), ensure that electronic and remote notarization will accomplish the same intent and be afforded the same protections as traditional notarizations.

In summary, NYBA supports legislation to standardize and make permanent electronic and remote notarization, already utilized successfully under emergency circumstances during the pandemic. NYBA shares lawmakers' views that system security and document integrity should be the paramount driver for the adoption of such notarization methods. In this way, banks can continue to provide peace of mind and transaction ease for New York consumers.

Thank you for this opportunity to provide comments and insights on electronic and remote notarization in New York State. We thank you for holding this hearing and look forward to working with you on this important proposal.