



MORTGAGE BANKERS ASSOCIATION

May 26, 2022

The Honorable Janice D. Schakowsky
U.S. House of Representatives
Chair
Subcommittee on Consumer Protection
and Commerce
2367 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Gus M. Bilirakis
U.S. House of Representatives
Ranking Member
Subcommittee on Consumer Protection
and Commerce
2357 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair Schakowsky and Ranking Member Bilirakis:

On behalf of the Mortgage Bankers Association (MBA),¹ I am writing to share our views on the real estate finance industry's priorities for the House Energy and Commerce Committee's Subcommittee on Consumer Protection and Commerce hearing held today and titled, "Legislative Hearing to Protect Consumers and Strengthen the Economy." MBA strongly supports approaches to modernize and streamline the homebuying process for consumers, including efforts related to real estate closings. For these reasons, MBA supports H.R. 3962, the *Securing and Enabling Commerce Using Remote and Electronic (SECURE) Notarization Act*.

H.R. 3692, the SECURE Notarization Act

MBA commends Representatives Madeleine Dean and Kelly Armstrong for their legislation that would create minimum federal standards for the use of Remote Online Notarization (RON). Currently, forty states have adopted RON laws that help American consumers safely and securely conduct transactions, including purchasing, selling, or refinancing a home. Unfortunately, consumers who want to take advantage of the convenience of RON do not have the same options in all states. The *SECURE Notarization Act* requires tamper-evident technology in electronic notarizations and provides fraud prevention through use of multifactor authentication for identity proofing and audiovisual recording of the notarial act. This federal legislation would complement

¹ The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 390,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,200 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

existing state RON laws, while allowing states the flexibility and freedom to implement their own individual standards.

The benefits of RON transactions became abundantly clear at the outset of the pandemic, which fundamentally altered the ways many industries conduct business, including the buying and selling of real estate. Individuals living within a RON-approved jurisdiction had the ability to complete real estate and loan transactions without having to gather at a closing table and risk contracting or spreading COVID-19.

Given the obvious benefits it would provide to active-duty U.S. servicemembers deployed across the globe, the House unanimously supported the adoption of the *SECURE Notarization Act* when the bill's text was included within H.R. 4350, the *National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2022*.

Conclusion

Thank you in advance for your consideration of the views expressed within this letter. We stand ready to collaborate with members of this subcommittee (and full committee) to encourage actions that ensure a robust housing market, protect consumers, and strengthen the overall economy.

Best regards,



Bill Killmer
Senior Vice President, Legislative & Political Affairs

cc: The Honorable Frank Pallone, Chairman, House Committee on Energy and Commerce
The Honorable Cathy McMorris Rodgers, Ranking Member, House Committee on Energy and Commerce
All members of the House Committee on Energy and Commerce Subcommittee on Consumer Protection & Commerce
The Honorable Madeleine Dean
The Honorable Kelly Armstrong