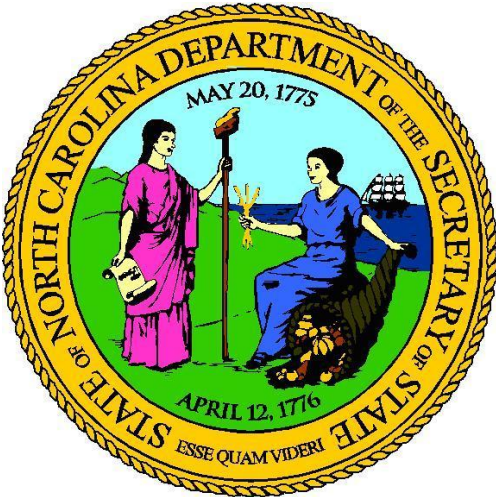


Fiscal and Regulatory Impact Analysis for Adoption and Amendment of
Select Notary Public Division Rules (Part III)

North Carolina Department of the Secretary of State



December 2, 2024

Rules: Selected rules from 18 NCAC 07 Subchapters B, C, D, F, G, H, I, J, and K

Rulemaking Authority: G.S. § 10B-4
G.S. § 10B-14(a), (f)
G.S. § 10B-106(d)
G.S. § 10B-125(b)
G.S. § 10B-126(a), (d), (e), (f), (g)
G.S. § 10B-134.15(b), (d)
G.S. § 10B-134.17(c)
G.S. § 10B-134.21
G.S. § 10B-134.23(b)
S.L. 2024-47

Agency Contact: Ann Wall
General Counsel and Rulemaking Coordinator
N.C. Department of the Secretary of State
awall@sosnc.gov

Impact Summary: State funds impact: Yes
Local funds impact: No
Private sector impact: Yes
Substantial economic impact: Yes
Federal requirement: No

Statement of Necessity: This rule package is proposed for adoption as required and authorized by the Notary Public Act (G.S. 10B Article 1) and the Electronic Notary Act (G.S. 10B Article 2) to further the purposes of those acts as described by G.S. 10B-2. These purposes include the implementation of recent laws authorizing remote electronic notarization in North Carolina for the first time. Moreover, this rule package is proposed to satisfy the Department's requirement to periodically review rules pursuant to G.S. 150B-21.3A.

Contents

Introductory Note.....	4
Introduction	4
Background: In-Person Notarization (Traditional and Electronic).....	4
Background: Notarial Transactions through EVN	5
Background: Remote Notarial Transactions through RENA	5
Background: Periodic Review of Existing Rules	5
Background: Rulemaking Expenditures	6
Summary of the Proposed Regulations	6
Rulemaking Purpose	7
Baseline Regulatory Conditions	9
RENA	9
EVN.....	10
Existing Notary Regulations	11
Scope of Analysis.....	11
Benefits to Notary Customers and the Public.....	12
Benefits Overview	12
Remote Electronic Notarization Benefits.....	13
Cybersecurity Benefits	14
Disclosure Benefits.....	14
Accommodation Benefits.....	15
Benefits Example: Real Estate.....	15
Other Benefits.....	16
Costs to In-Person Electronic Notary Solution Providers.....	16
Scope of review.....	16
Assumptions and Data Sources.....	17
Administrative Costs of Application and Renewal.....	18
Programming and Information Security Costs.....	20
Ongoing Compliance Costs	21
Costs to Notary Seal Manufacturers.....	22
Costs to the Department of the Secretary of State	24
Rule Costs.....	24
Staffing Implications	25

Costs to Notaries Public 25

Alternatives Analysis 26

 No action for IPENs 26

 Require Multi-Factor Authentication Technology Providers and Supporting Vendors 27

Summary 27

Introductory Note

The North Carolina Department of the Secretary of State (hereafter “Department”) is implementing the requirements of S.L. 2022-54, as amended, by promulgating, amending, and repealing existing rules pertaining to notaries public in 2023 and 2024. These rules are being updated and promulgated through three separate sets of rulemaking, after which all notary public rules will be brought up to date and established in conformity with statutory mandates. The Department has expended over 14,500 hours in connection with the rulemaking efforts undertaken to date. While recognizing the need for positions to conduct the rulemaking, the General Assembly has not appropriated funds to support the rulemaking effort mandated by statute in 2022, despite repeated Departmental requests. Departmental costs to implement the mandated rulemaking are not the subject of an evaluation of rulemaking impacts and therefore are not included in this fiscal note.

This fiscal note evaluates impacts from the third and final set of these rulemaking efforts. The fiscal note evaluating the first set of rules was published on July 24, 2023 and the fiscal note evaluating the second set of rules was published on October 10, 2023. To assist reviewers of this document and preserve agency resources, introductory passages from these documents are copied herein with minor supplements or amendments where appropriate.

Introduction

Background: In-Person Notarization (Traditional and Electronic)

The Department is charged under North Carolina’s Notary Public Act to educate, commission, and monitor notaries public. See G.S. 10B-1, *et seq.* Notaries public are public officers of the State of North Carolina, recognized by the North Carolina Constitution and charged with protecting its citizens from fraud and forgery by positively establishing the identity of persons appearing before them – “principals.” The General Assembly requires notaries public to be involved in certain defined activities designed to reduce identity fraud. The private sector may separately require the services of notaries to reduce transactional risks of contract repudiation from identity fraud, forgery, duress, or coercion. Historically, the primary tools existing notaries use to meet their statutory obligations are requiring personal appearance of the principal, positively identifying the principals, and recording evidence of the notarial action in a journal of notary acts.

Notaries serve a vital role in protecting the citizens of North Carolina and facilitating commerce for those doing business in the State and beyond. Notarial acts unobtrusively provide integrity to depositions, wills, advance directives (both health care and financial), automobile sales, real estate transactions, absentee voter ballots and more.

The North Carolina Notary Public Act establishes requirements to become a traditional notary public. A traditional notary performs notarial acts during an in-person meeting with the principal. A traditional notary must identify the principal using one of three specific methods. The Act and duly promulgated administrative rules govern the conduct of notaries as well as how to become an official notary instructor.

Article 2 of the Notary Public Act, adopted in 2005, governs electronic notaries public (eNotary). Like a traditional notary, an eNotary performs notarial acts during a meeting conducted physically in-person but uses technology to electronically notarize the principal’s electronic signature on an electronic

document. An eNotary must comply with most traditional notary requirements. The Act also regulates the technology used by the eNotary to perform electronic notarial acts.

Since there is no legal requirement that requires the reporting of all the events a notary may be asked to notarize, it is not presently possible to determine the number of notarial acts performed in North Carolina or the United States.

Background: Notarial Transactions through EVN

On May 4, 2020, SL 2020-3 was enacted to authorize emergency video notarization (hereafter “EVN”) in response to the COVID-19 pandemic. EVN supplemented existing laws governing traditional and electronic notarization to permit notarizations to occur between a notary and principal who were not in the physical presence of one another but located within the state and communicating directly through real-time video conference technology. EVN also explicitly required the maintenance of a journal for EVN transactions. Through subsequent bills, most recently S.L. 2024-47, the General Assembly extended this emergency authorization to July 1, 2025 while requiring the Department to establish permanent rules governing the practice of remote electronic notarization.

Background: Remote Notarial Transactions through RENA

S.L. 2022-54, known as the Remote Electronic Notarization Act or RENA, was enacted on July 8, 2022. Adoption of RENA was a direct outcome of the global pandemic, increasing economic activity being conducted remotely, and the need to conduct crucial business, legal, healthcare, and other transactions safely, securely, and efficiently in the rapidly evolving remote environment. This law requires the Secretary of State to adopt permanent rules on many topics first addressed in temporary fashion by EVN. The rules must fulfill the purposes of the Notary Public Act, including:

- To simplify, clarify, and modernize the law governing notaries,
- To prevent fraud and forgery,
- To foster ethical conduct among notaries,
- To enhance interstate recognition of notarial acts, and
- To integrate procedures for all the following notarial acts: traditional paper, (in-person) electronic notarization, and remote electronic notarization.

Under RENA, a remotely located principal can be physically located anywhere in the United States or its territories. Furthermore, in specific circumstances, the principal can be on a US military base or in a US embassy. RENA requires real-time, simultaneous communication between the eNotary and the remote principal using communication technology. Identification of the remotely located principal must be aided by identity and credential proofing technologies reviewed and approved by the Department under a licensing process. RENA also establishes that this technology must meet security and performance criteria established by the Department. The law also establishes new and maximum fees that a notary can charge for their services. In all cases where the General Statutes provide a maximum fee amount and rules are amended to match existing statute, such conditions are considered part of the baseline condition and are thus excepted from further fiscal impact analysis.

Background: Periodic Review of Existing Rules

G.S. 150B-21.3A separately requires all state agencies to review existing rules every ten years in accordance with a prescribed process that includes rule readoption. Many of the existing notary rules

are nearing the end of their decadal cycle and thus are due for review and re adoption. This third rulemaking tranche is undertaken to satisfy the mandates found in both RENA and G.S. 150B-21.3A.

Background: Rulemaking Expenditures

In preparing these rules, the Department comprehensively researched the statutes and regulations of other states implementing similar remote notarization programs. The Department also researched trade standards and sought input from various academics and industry experts in developing these proposed rules. The Department has expended over 14,500 hours in connection with the rulemaking efforts undertaken to date. While recognizing the need for positions to conduct the rulemaking, the General Assembly has not appropriated funds to support the rulemaking effort mandated by statute in 2022, despite repeated Departmental requests. Departmental allocation of resources to the mandatory rulemaking has come at the expense of performing other Departmental duties. Departmental costs to implement the mandated rulemaking are not the subject of an evaluation of rulemaking impacts and therefore are not included in this fiscal note.

Summary of the Proposed Regulations

This rulemaking package is the third of three rulemaking tranches which the Department of the Secretary of State (Department) has undertaken to comply with, implement and interpret the Remote Electronic Notarization Act (RENA), adopted July 8, 2022, S.L. 2022-54. RENA was modified on June 23, 2023 by S.L. 2023-57, on September 28, 2023 by S.L. 2023-124, and on September 9, 2024 by S.L. 2024-47. G.S. 10B-4 provides authority for the Department to promulgate rules addressing all aspects of the notary public program.

Some rules that were the subject of the first two phases of the RENA rulemaking and that have been approved by the RRC are amended to improve their clarity and consistency with the Phase 3 rules. Except for the unquantified benefits resulting from more consistent and transparent rules, such clarifying amendments incur no impacts to the State or regulated stakeholders.

This fiscal analysis covers the following new and amended rules proposed by the Department in the following subchapters and sections:

- 18 NCAC 07B – General Requirements
 - Section .0100 – General Provisions
 - Section .0300 – Filings, Signatures on Filings, and Responses to Requests for Information
 - Section .0400 – Forms
 - Section .0600 – Denials, Discipline, and Enforcement
 - Section .0800 – Accommodations for Principals
- 18 NCAC 07C – Process to Become a Notary and Renew a Notary Commission
 - Section .0800 – Traditional Notary Seal
- 18 NCAC 07D – Continuing Obligations of Notaries
 - Section .0100 – General Obligations
 - Section .0300 – Notice to Department of Changes
 - Section .0400 – General Requirements for Use of Technology
 - Section .0500 – Requirements for GS 10B-134.9(d) Oaths and Affirmations
 - Section .0600 – Access to Notarial Records

- 18 NCAC 07F – Electronic Notary Public Requirements
 - Section .0100 – General
 - Section .0200 – Qualifications to be Electronic Notary
 - Section .0300 – Education of Electronic Notaries Public
 - Section .0600 – Selection and Use of Technology Provider to Perform Electronic Notarial Acts
 - Section .0700 – Electronic Notary Signature
 - Section .0800 – Electronic Notary Seal
 - Section .1000 – Confidentiality, Security, and Records Retention
- 18 NCAC 07G - Notary Seal Manufacturers and Vendors
 - All sections
- 18 NCAC 07H – Remote Electronic Notary Notarial Act and IPEN Requirements
- 18 NCAC 07I – Journal Requirements
 - Section .0100 – General
 - Section .0200 – Journal Basics
 - Section .0300 – General Journal Contents
 - Section .0400 – Electronic Journal Requirements
- 18 NCAC 07J – Notary Technology Provider Requirements
 - All sections
- 18 NCAC 07K – Miscellaneous Rules
 - Section .0100 – General

Rulemaking Purpose

RENA requirements for remote electronic notarial acts (RENs) build upon requirements for traditional notaries and notarial acts, as well as the requirements for eNotaries and electronic notarial acts. To the extent feasible, rules implementing RENA must therefore harmonize the requirements for traditional notaries, eNotaries, and eNotaries performing remote electronic notarial acts.

The General Assembly mandated the Department to adopt rules that promote public confidence in the reliability of the identification of principals and signatures made by those principals, whether appearing in person or remotely, in keeping with the purposes and policies of RENA and the Notary Public Act found at G.S. 10B. By enhancing reliability, the Secretary facilitates economic growth while reducing the cost and frequency of litigation.

This third and final set of rules focuses primarily on the technology used to perform remote electronic notarial acts and the licensure and approval of the providers of that technology, as well as certain other ancillary requirements of RENA. The rules are intended to be technology agnostic, provide clear direction to stakeholders, be sufficiently flexible to adjust to technological advances and changing market needs, and assert no more regulatory oversight than necessary to satisfy statutory directives.

Specific themes addressed in the proposed rules include:

1. Technology security and reliability. As directed by RENA, the proposed rules address the security and reliability of the underlying technologies used in the remote electronic notarization process. This has mandated consideration of digital and physical security, disaster recovery, business

continuity, and establishing a means to measure the reliability of the required identity proofing and credential analysis technologies that can then be disclosed in a uniform way for stakeholder evaluation. Proposed security-related rules are intended to codify industry standard security practices that already should be in place for most if not all existing technology providers.

2. Geolocation. The proposed rules address the circumstances when geolocation technology must be used, the precision that must be delivered, and exceptions for national security.
3. Reasonable accommodation. The proposed rules address the statutory requirement that electronic notary solutions make reasonable accommodations for remotely located principals with vision, hearing, or speech impairments. The reasonable accommodations are balanced with the traditional requirement that a notary must communicate directly with a principal to establish identity, mental capacity and the absence of fraud or duress.
4. Privacy. The proposed rules address the security of the personal information of participants in remote notarial transactions and the confidential nature of matters subject to notarization.
5. Proof of Notarial Transactions. While respecting privacy requirements, the rules address the creation and custodianship of communication technology recordings and journal entries. Further, the rules establish chain of custody tracking for these notarial session records and describe the circumstances under which they may be released.
6. Technology Approval Process. The rules address the licensing and approval process for electronic notary solutions. RENA requires that the Department issue platform licenses only to applicants who are of good moral character and that can meet the security and reliability standards. The statutory licensing process also requires a background investigation of the applicant and identified key individuals.
7. Financial assurances. The rules address the mechanisms to assure accurate and auditable fee remission to the Department of the statutorily-required \$5.00 fee a platform must collect for each remote electronic notarial act. Pursuant to statute, this fee funds implementation and enforcement of RENA and must be reliably collected and accounted for.
8. Notary identity confirmation. The rules establish the process under which physical and electronic seal vendors and manufacturers identify and confirm the authority of an individual attempting to obtain a notarial seal. RENA sets out that failure on the part of seal vendors and manufacturers to meet these requirements exposes those parties to a \$1,000 fine per violation and a possible felony charge.
9. Harmonization of rules. The rules specify, clarify, and harmonize procedures for eNotaries conducting remote electronic notarial acts, eNotaries conducting in-person electronic notarial acts, and traditional notaries using approved communication technology for oaths and affirmations in judicial actions and proceedings.
10. Adherence to rulemaking principles. In the development of these rules, the Department has adhered to the regulatory principles required by G.S. 150B-19.1. These include efforts to reduce the burden upon persons who must comply with the rules, consideration of the rules' cumulative effects, and the achievement of regulatory objectives in a cost-effective and timely manner.

Baseline Regulatory Conditions

RENA

Once the statutory provisions of RENA became effective on July 1, 2023, the law became a part of the regulatory baseline. This rulemaking package addresses all areas where RENA requires rulemaking. Moreover, it provides administrative interpretations and procedures which are necessary to fully implement the law.

G.S. § 10B-134.21 requires the Department to make rules establishing RENA requirements for notaries and technology providers. Moreover, where RENA explicitly requires the Department to approve or license technology providers, it implicitly requires the establishment of regulatory and technical standards to establish a legal basis for approval or denial.

The purpose of this analysis is to state the amount of funds that would be expended or distributed because of the proposed rules, explain how that amount was computed, and discern and analyze the impacts attributable to the proposed rules. Most new major requirements governing notaries and technology providers are mandated by the statutory provisions of RENA. See Tables 2 and 3. Further, RENA rulemaking requirements for the Department are mandatory rather than discretionary. It follows that most costs and benefits are attributable to these statutory provisions and therefore are not subject to further review in this regulatory impact analysis.

Table 1: Major Baseline Statutory Requirements for Notaries performing Remote Notarial Acts

Statute	Statutory Requirement
G.S. § 10B-134.3(a), G.S. § 10B-134.19	Use communication technology that is part of a licensed platform
G.S. § 10B-134.9	Procedural requirements for remote notarial acts
G.S. § 10B-134.11	Alternate identity verification requirements for remote notarial acts
G.S. § 10B-134.13	Communication technology recording requirement
G.S. § 10B-134.15	Keep an electronic journal for remote electronic notarial acts
G.S. § 10B-134.17	Notary security measures
G.S. § 10B-134.21	Establish standards, procedures, practices, forms, and records relating to remote electronic notarial acts

Table 2: Baseline Statutory Requirements for Technology Providers

Statute	Statutory Requirement
G.S. § 10B-134.11(a)(2)(a)	Department approval of credential analysis technology provider
G.S. § 10B-134.11(a)(2)(b)	Department approval of identity-proofing technology provider
G.S. § 10B-134.15	Adoption of rules specifying content and secure storage of electronic journal
G.S. § 10B-134.15	Department approval of custodian
G.S. § 10B-134.19(b)	Department licensure of platforms and incorporated communication technology
G.S. 10B-134.19(e)(4)	Technology provider security measures
G.S. § 10B-134.21	Department required to establish standards, procedures, practices, forms, and records relating to remote electronic notarial acts
G.S. § 10B-134.23(b)	Allows rules establishing, supplementing, or amending third-party vendor for credential analysis and identity proofing services.*

*This statutory language is permissive, but approval standards for credential analysis and identity proofing solutions are implicitly required when construed in context with G.S. § 10B-134.11.

EVN

The existence of EVN raises novel issues related to the regulatory baseline. The notarization process temporarily authorized by EVN is legally distinct from the notarization process permanently authorized by RENA. Moreover, EVN is not supported by implementing regulations. Yet the primary outcome of both laws is the same: authorization of online notarial transactions.

EVN was quickly passed as a stopgap solution to address business needs and health-dictated physical distancing at the outset of the Covid-19 pandemic. RENA was authorized by the General Assembly more than two years later, giving the Department and the regulated community an opportunity to evaluate the strengths and weaknesses of EVN. By passing RENA as an alternate approach to EVN, the General Assembly implicitly determined that an alternate statutory and regulatory framework was necessary to ensure remote notarial acts were less susceptible to fraud and forgery than EVN.

Table 3: EVN Effective and Expiration Dates

Session Law	EVN Effective Date	EVN Expiration Date	Notes
2020-3	May 4, 2020	August 1, 2020	
2020-74	July 1, 2020	March 1, 2021	
2022-54	July 8, 2022	June 30, 2023	Cured EVN transactions performed between March 1 and July 8, 2021.
2023-57	June 23, 2023	June 30, 2024	
2024-47	September 9, 2024	July 1, 2025	

Comparing the two laws, EVN enables online transactions for North Carolina notaries notarizing matters for principals located in North Carolina and with relatively few additional requirements or limitations. It allows online notarial transactions by equating appearance through existing video conference technology with in-person appearance. See G.S. § 10B-25(c). Thus, while EVN notarial acts are occurring “remotely” as that term is commonly understood, legally these transactions are equivalent to in-person

notarial acts. EVN also has no requirements for technology providers or for the process of identifying the principal.

In contrast, RENA authorizes an entirely new class of “remote notarial acts” and limits the performance of these acts to eNotaries.¹ The location of the principal, however, is expanded to all parts of the United States and its territories and also includes U.S. military bases and embassies under certain circumstances. ENotaries must follow special procedural requirements and use licensed and approved technologies to facilitate those transactions. At the coarsest level of analysis, EVN enables online transactions within North Carolina with fewer requirements and limitations than RENA, but also fewer protections for the notary, principals, and business interests they serve.

Ultimately, EVN is not considered as part of the baseline in this analysis. First, though EVN has been extended several times, the law itself is temporary and slated to expire. Therefore, it is excluded from the regulatory baseline in the same manner as temporary rules would be. Second, the legal mechanisms used to implement EVN are not directly comparable to those in RENA. EVN temporarily expands the definition of in-person appearance for all notaries but does not authorize remote notarial acts. Upon expiration of EVN, in-person appearance will again be defined in a manner consistent with its historical context and plain meaning. In contrast, RENA establishes a new framework for remote notarial transactions that cannot exist until the implementation of this rulemaking package.

Existing Notary Regulations

Existing notary regulations are a part of the regulatory baseline for this rulemaking package. Specifically, the rules recently promulgated in Phase I and Phase II are now a part of the regulatory baseline. Where technical amendments to existing rules are proposed, they are evaluated in comparison to the rules currently in effect.

Scope of Analysis

More than 160,000 notaries are presently commissioned by the Secretary of State. Of these, over 6,000 are further registered as eNotaries. North Carolina law first permitted the registration of electronic notaries in 2005, with enacting rules becoming effective on January 1, 2007. In the first five years after 2007, 760 eNotary registrations occurred. Since the adoption of RENA in 2022, eNotary registrations range roughly from 1400 to 1700 per year. Except for limited circumstances, only eNotaries will be authorized to perform remote notarial transactions pursuant to RENA and these rules.

There is no central repository to which the performance of notarial acts is recorded, nor are there reliable studies estimating the number of notarial acts performed annually in North Carolina or the United States. The Department has identified no available data set that can be used to estimate the relative proportion of notarial acts performed traditionally, electronically, or remotely via communication technology. For these reasons, quantifying cumulative rule impacts upon notaries public would be exceptionally speculative in all but the rarest circumstances.

Stakeholders affected by notary rules can be similarly difficult to identify, but the influence of notaries can be traced throughout North Carolina’s economy. Stakeholders most directly impacted by these rules

¹ RENA provides one limited exception authorizing traditional notaries to administer oaths and affirmations remotely in judicial actions and proceedings.

include the Department, notaries public, principals to notary transactions, and electronic notary platform providers, licensees, and vendors. Additional impacts might be traced to Registers of Deeds, Clerks of Court and other county offices; financial institutions; mortgage providers; title companies; ecommerce providers; the N.C. Department of Motor Vehicles; car dealerships; educational institutions; construction companies; realtors; medical providers; attorneys and other members of the legal profession; nursing homes; absentee voters; the N.C. State Board of Elections; and any other industry that benefits from the identity verification services that notaries provide.

Like many private industries, the state and local governments in North Carolina employ notaries. The number of notaries serving in government, their job descriptions, and the extent to which notarial acts are conducted or required is also unknown. Therefore, state and local government impacts are defined here to exclude incidental impacts upon notaries serving in state or local government positions. Instead, such impacts are discussed as they relate to the individual notary rather than the agency by which a notary may be employed.

Benefits to Notary Customers and the Public

Benefits Overview

Benefits to these rules generally accrue to notary customers (principals) and the public. As is commonplace in many fiscal notes, it is difficult to reliably project quantitative benefits. Among the many factors making a quantitative benefits analysis impossible are the widespread nature of notarial transactions across all sectors, the lack of data regarding the quantity of notarial transactions in the state, and the lack of data regarding the proportion of those transactions that are traditional, in-person, or remote to EVN authorities.

Meanwhile, the importance of the transactions and documents requiring notarial acts underscore the stakes of implementing sound regulatory policy. It is difficult to conceive of any sector that does not rely in some way on the services provided by notaries public. Notaries are commonly relied upon to confirm principals' identities during the most significant transactions in a person's life or in relation to their most important legal documents. The formality of notarization often correlates with the importance and value of the underlying transaction. Common examples include the purchase or sale of businesses, homes, land, and mineral rights; procurement of personal loans; transfer of powers of attorney; authentications or apostilles necessary for foreign adoptions, burials, or studies; business contracts; advance health care directives; wills and trusts; concealed carry permits; and occupational license applications.

The financial and emotional costs of fraud for a single incident can be devastating for a victim. The societal costs of fraud are also substantial and are borne by taxpayers, the justice system, insurance companies, charitable organizations and more. Due to their significance, each of the transactions or documents described above can be targets for criminals. Moreover, platforms and IPEN (in-person electronic notary) solutions are a desirable target for criminals because they can provide a centralized repository of personally identifiable information (PII) and sensitive documents. Because these costs of criminal behavior are so significant in this context, it follows that equivalent benefits accrue to individuals and society when such criminal behavior is thwarted or deterred.

Remote Electronic Notarization Benefits

The benefits of implementing a regulatory framework for remote notarization while improving the existing regulatory framework are immense. Traditional car trips to visit a notary in person can now be replaced by the instantaneous upload of electronic documents to a platform followed immediately by a remote notarial session at any time of the day or night. Such conveniences accrue benefits for principals by avoiding the expense of travel and preserving the value of their time. Moreover, technology providers and notaries can avail themselves of new market opportunities arising from remote electronic notarization.

Parties to a transaction will also benefit from the substantially reduced time it takes to schedule and perform a remote online notarization. Most principals will be able to more quickly schedule and attend a remote online notarization because travel time will have been eliminated. This increases transactional efficiency and means capital can be deployed and put to work faster with remote online notarizations.

While technological advances have made remote online notarization possible, it has also introduced new risks to the remote notarial transaction process. Not long ago the province of science fiction, many people are now aware of deep-faked videos, digital document alteration (e.g., identification credentials), voice manipulation, and live video filters that can alter a person's appearance. Each of these technologies introduce opportunities for fraud that are not present during in-person notarial transactions.

Deep-faked videos, video filters, and voice cloning using artificial intelligence have the potential to facilitate identity fraud by misleading principals, transaction parties and notaries alike.² The proposed rules address this risk by requiring liveness detection technologies to be deployed during the credential analysis process. See Rule 18 NCAC 07J .1607(5). Moreover, as platforms become more adept at recognizing these fraudulent techniques, they will notify notaries of their findings. See Rule 18 NCAC 07J .1609. These technologies supplement but do not replace the notary public's common sense, experience-informed assessment of the principal's demeanor, and their appearance compared with the credential presented by the principal. Moreover, if a remote fraud attempt using these tools is successful, the video of the transaction and the associated journal record will be available for ten years or more to assist with law enforcement investigations.

Finally, statutory and regulatory provisions requiring geolocation provide another layer of protection from impersonators in remote transactions. Pursuant to these rules, GPS location services must be enabled on any device that contains them. See 18 NCAC 07H .0203, 18 NCAC 07J .1406, and 18 NCAC 07J .1407. This requirement provides yet another layer of protection against remote criminals who might be inclined to withhold or falsely testify to their location.

Notably, the proposed rules provide new opportunities for in-person electronic notaries to supplement traditional notary expertise with the use of Department-approved credential analysis and identity proofing tools. G.S. 10B-134.9 requires pairing strengths of both human and technology resources in remote transactions, but these tools will also be available to support in-person transactions as well. A notary performing in-person notarizations may independently contract with approved credential

² AI voice-cloning scams could target millions of people, Starling Bank warns. Accessed on Nov. 6, 2024 at <https://www.cnn.com/2024/09/18/tech/ai-voice-cloning-scam-warning>.

analysis and identity proofing technology providers, decreasing the likelihood that false credentials will result in a positive identification. An IPEN solution provider may also supplement its product with approved credential analysis and identity proofing solutions, again providing a higher level of service and protection for the notarial transaction.

Cybersecurity Benefits

Similarly, benefits accrue to the public through the implementation of more generally applicable cybersecurity measures. Reputable technology providers have a strong economic interest in protecting their clients' personal information and sensitive documents. However, without rules describing industry-standard cybersecurity requirements, the Department would be unable to distinguish between reputable technology providers and those who forego important security measures at their clients' elevated risk and expense. Making this distinction is critical for the Department to carry out its statutory mandate of approving secure technology providers. Again, while costs may accrue for technology providers to institute or document various security practices, the public benefit of cybersecurity for what will likely become critical economic infrastructure is substantial.

While benefits from thwarted attacks or breaches are variable and difficult to predict, the rules reflect the Department's best judgment that costs incurred to maintain actions related to IT security are worth the benefits to notaries, principals, and the general business economy to maintain. Examples of these requirements include encryption, maintenance of current hardware and software, and the implementation of security plans. These practices and other related requirements essentially require good housekeeping practices for data security and privacy.

Upon implementation of RENA and these proposed rules, North Carolina will apparently become the first state to evaluate the security protocols of technology providers at this level of detail and rigor. Such an approach relieves notaries, who by and large have no professional expertise in digital information security or the security of critical economic infrastructure, of a substantial burden to evaluate a technology provider's security protocols. Rigorous application requirements, including the requirement for disclosures related to the moral character of the company and its key individuals, will provide a deterrent for corporate malfeasance or the establishment of fly-by-night technology services that at best are careless with economically sensitive information and at worst are designed to steal the information of notaries, principals, and transaction parties.

The proposed rules also prohibit collection, sales, or use of personal data revealed by a principal, notary public, or other parties to a notarial transaction. Such data is particularly subject to misuse to support Seller Impersonation Fraud (SIF), but its improper disclosure can subject these persons to additional physical and economic security threats as well.

Disclosure Benefits

The Department's research noted the absence of recognized national performance standards related to statutorily-mandated technology such as credential analysis and identity proofing. Rather than attempting to develop and impose specific performance requirements, the rules require disclosures on the providers' websites of their testing methodologies and results. These requirements will provide critical information to electronic notaries and their employers, as well as those who rely on notarized documents. This information enables them to select the technology provider meeting the reliability

expectations of the notary, employer, and any transaction party while also providing a transparent source of motivation for the market to develop its testing methods and performance.

Each notary solution type further requires specific disclosures on its website related to matters of interest to a notary or employer when selecting a notary solution. Examples include the terms of a service level agreement, hours by which customer service agents can be accessed, and services disruption response times.

Accommodation Benefits

RENA requires accommodation of those with vision, hearing, or speech impairments, and the proposed rules clarify, implement, and harmonize that requirement with competing statutory requirements under which the notary must be able to directly assess the mental capacity of the principal and whether the principal may be under duress. The rules ensure that the technology providers' website disclosures are comprehensible by those using screen reader technology. The rules require disclosure of the types of auxiliary aids that have been successfully tested with the platform. Also, the rules require a platform to accommodate the use of auxiliary aids, interpreters, transliterators, and CART captioning by a principal with vision, hearing, or speech impairments. These rules also address and balance risks from bad actors who may be inclined to exploit accommodations as a means of committing fraud against a principal who has limited or no vision, voice, or sight.

A related benefit has been realized for in-person notarial transactions. Rule 07B .0804 clarifies that an American Sign Language translator is now acceptable to facilitate in-person notarial transactions, providing greater access to notary services for hearing impaired individuals.

Benefits Example: Real Estate

The real estate industry illustrates the scale and value of transactions potentially at risk without secure notarization practices. In North Carolina during the month of August 2024, 12,889 homes were sold. The median value of these homes was \$370,000 each.³ While median and mean values should not be conflated, the distribution of home prices is traditionally asymmetric with a long tail, suggesting the median value is less than the mean. Therefore, these statistics conservatively support a monthly real estate transaction value of \$4.8 billion in August alone.

Meanwhile, SIF affects both title insurance companies and their customers, and it can take years to discover. In SIF, an impersonator poses as a legitimate property owner, fraudulently sells the property, and upon the conclusion of a successful fraud the impersonator reaps the sale proceeds. An American Land Title Association (ALTA) Study found that 28% of titles companies experienced at least 1 SIF attempt in 2023 and 19% had experienced a SIF attempt within the month of the survey.⁴ Common issues include use of fake notary credentials (43%), use of legitimate credentials without the notary's consent (31%), and in-person notarization with a fake identification document (26%). The study also found that the credential analysis and identity proofing tools used to support remote transactions were deterring criminals from using this method. These proposed rules are designed to reduce the use of fake

³ <https://www.ncrealtors.org/august-2024-nc-housing-report/>

⁴ American Land Title Association, "ALTA Critical Issues Study Seller Impersonation Fraud", July 2024, presented to Uniform Law Commission Joint Editorial Board on Uniform Real Property Acts (JEBURPA) at its September 19, 2024 meeting.

notary credential and notarization obtained with fake identification documents by providing new and updated tools for notaries, technology providers, and the Department to collectively combat each of these approaches to notary fraud.

It is also noted that the true cost of a fraudulent real estate transaction is often more than the value of the property itself. A LexisNexis Risk Solutions study⁵ notes interrelated costs including labor for investigations, fees incurred during application, underwriting and processing stages, legal fees, and external recovery expenses. The study further notes that every dollar of mortgage fraud loss results in total costs of \$4.20 due to these related expenses. Current challenges include verification of digital identities and distinguishing bots from legitimate customers during the mortgage account opening stage. These figures indicate that the prevention of a single SIF event for a median-value home would avoid significant costs. For example, for a home worth \$370,000, avoided costs from preventing SIF could be as high as \$1.6 million. The Department does not have data with which to estimate the number of fraudulent home transactions that the fraud protection and cybersecurity tools required by the proposed rules will prevent in a year. Nevertheless, the ALTA survey cited earlier suggests the number of fraudulent transactions prevented could be substantial.

Other Benefits

A proposed rule, 18 NCAC 07B .0421, will require a notary public to add a page to the notarized document if the notarial certificate is on a page separate from the document being notarized. The added page will be required to include the notarial certificate as well as other language describing the document being notarized, including the title and type of document; number of pages in the document; names of principal signers; and date the principals signed. This new requirement closes a potential loophole that could create an opportunity for bad actors to modify or replace the notarized document.

Costs to In-Person Electronic Notary Solution Providers

Scope of review

The rules in subchapter J of this rule package apply to five types of technology providers: platforms, in-person electronic notary (IPEN) solutions, credential analysis solutions, identity proofing solutions, and custodians. Presently, the only existing technology providers approved by the Department are IPEN solution providers. Costs and benefits resulting from regulation of technology providers other than IPEN solution providers are attributable to the RENA statutes and are not further analyzed as part of this fiscal note.

Several rules governing the approval of IPEN solutions have been in place since 2007. Under those existing rules, eleven technology providers have been approved. All existing IPEN solution providers will be required to reapply to the Department for approval to meet the standards in this rule package. The Department has elected to update the rules applicable to IPEN providers for several reasons:

- To increase clarity and specificity for technology providers and the Department
- To establish a higher level of security regarding notary and principal data

⁵ LexisNexis Risk Solutions, “6th Annual True Cost of Fraud Study: Financial Services and Lending Report (U.S. and Canada Edition),” 2022. Accessed on Nov. 5, 2024 at <https://risk.lexisnexis.com/insights-resources/research/us-ca-true-cost-of-fraud-study>.

- To establish consistency with requirements for platforms used to facilitate remote notarial transactions
- To better ensure availability of notarial records for the duration required by law

This section of the analysis provides an evaluation of several categories in which presently approved IPEN solutions will incur various costs and benefits.

Assumptions and Data Sources

The primary costs for IPEN solution providers associated with the proposed rules of Subchapter J are the costs incurred to meet and then maintain new rule requirements. Employee wages are the most significant components of cost identified in this fiscal analysis. Private sector wages are estimated using 2023 data provided by the Bureau of Labor Statistics (BLS) for U.S. workers in the Software Publishers industry.⁶ Wage costs were assumed to be 70.3% of the total employer compensation costs, in accordance with more recent BLS statistics for private industry workers in the U.S.⁷ Note that IPEN solution providers may be based in any state of the U.S. or in any worldwide geographic location. As such, these estimated wage costs – which are specific to the U.S. as a whole – do not capture the high degree of variability among U.S. states and among other countries.

The statutorily required discount rate of 7% is used for all future projections from the base year of 2024. Using 2024 dollar values, a ten-year projection of quantifiable impacts from 2025-2034 is provided where possible.

Actual cost projections from IPEN providers to comply with the proposed standards are not available, and such cost projections would likely be based upon sensitive business information. Moreover, the magnitude of costs to any individual IPEN solution provider will depend in significant part upon the sophistication of their information technology infrastructure and security. To estimate costs, the Department relied on an internal cross-functional team of information technology, legal, and policy experts to project the private personnel classifications and the time required to bring an IPEN solution provider into compliance with various rules by the 2026 application deadline. The team developed low and high effort estimates, resulting in range of cost projections for IPEN solution providers to come into compliance with newly applicable regulations. However, the Department acknowledges a lack of familiarity with the business and technological operations of existing IPEN providers. Therefore, while the following estimates were developed through a systematic and rigorous approach, the team expressed uncertainty in the utility of these figures for business planning purposes.

The projection of cost impacts for IPEN solution providers relies on several assumptions. Quantifiable cost impacts in this section are projected for eleven existing IPEN providers. The analytical assumption is made that these businesses will choose to continue offering their services to North Carolina notaries. Many IPEN solutions serve national or international markets and their decision to offer products and services to North Carolina notaries accounts for the regulatory environment within which they operate. The Department believes it benefits North Carolina notaries and the principals they serve to have a

⁶ Occupational Employment and Wage Statistics for NAICS 513200: Software Publishers.
https://www.bls.gov/oes/current/naics4_513200.htm

⁷ Employer Costs for Employee Compensation- June 2024. Bureau of Labor Statistics Press Release.
<https://www.bls.gov/news.release/pdf/ecec.pdf>

robust and competitive market for IPEN solution providers. However, these businesses are not compelled to continue operating in North Carolina and they may freely exit the market without incurring any of the described costs in this section.

Costs and benefits are not projected for new IPEN solution providers who enter the North Carolina market upon the implementation of this rule package. Few IPEN providers have sought Departmental authorization in recent years, and the Department does not presently foresee new IPEN solution applicants. Conversely, while new application requirements are more robust, the Department does not anticipate that they will prevent responsible and capable entrants into the IPEN solution market.

While projecting costs, the Department relied upon the assumption that existing technology providers have already implemented security practices consistent with general technology industry standards. Failure to make this assumption would result in an impact analysis more reflective of the costs to start a new technology business rather than to maintain an existing one. Similarly, the Department's proposed IT security rules are intended to reflect responsible and widespread existing security practices. Further, the rules are consistent with statutory language requiring technology providers to meet "generally accepted" security standards. See G.S. 10B-134.17 and G.S. 10B-134.23. Because the proposed rules specify the documentation required to establish implementation of these generally-accepted practices, documentation costs are identified where appropriate.

Finally, the location and business operations of currently-regulated IPEN solution providers is of some relevance. Of the eleven companies who have approved IPEN solutions, one is based in North Carolina and has between 11-50 employees. The proportion of these employees working in North Carolina is unknown. Also unknown is the number of North Carolina-based employees working for out-of-state IPEN solution providers. It is therefore probable that most costs incurred by in-person notary solution providers will be incurred by out-of-state businesses.

Administrative Costs of Application and Renewal

Existing IPEN solution providers may continue offering their services under prior Departmental authorizations until July 1, 2026, providing an extra year for them to come into compliance after the substantive requirements of this rule package are expected to become effective. See Rule 07J .1101. The Department's justification for this decision is to ensure continuity in the availability of in-person electronic notarization services for notaries and principals as this rule package comes into full effect. Moreover, the Department anticipates significant resources will be dedicated to the review and approval of other electronic notary solution types in 2025, all of which are new to the State. The Department does not believe the risks of fraud arising from failure to implement the rules in July 2025 outweigh the benefits of staging implementation in 2026.

After initial approval, approved IPEN solution providers will then be required to reapply for approval by the Department every three years. Under the current rules, Departmental approval was a one-time event with a requirement that the IPEN solution provider notify the Department prior to any updates to the IPEN solution. As a practical matter, notification of IPEN solution updates by providers occurs rarely. The Department has not had the resources to determine whether providers provide proper notification, and therefore the Department has been unable to enforce this requirement. Under the proposed rules, IPEN solution providers will be required to apply for approval and demonstrate their product for the

Department on a triennial basis, ensuring that basic technical and security requirements continue to be met by the IPEN solution provider.

New application requirements for existing IPEN solution providers are more robust than under the existing rules, reflecting the need to demonstrate compliance with many new substantive technical rules. While the surface level functions of an IPEN solution are likely to remain similar from an electronic notary's perspective, the underlying technical and administrative requirements proposed in these rules are more substantial. Thus, applications and renewals will require more administrative time to be completed and renewed by IPEN solution providers. As compared to the existing regulatory structure, review of applications and renewals by the Department will also require additional resources.

New administrative requirements will also be put into place for IPEN solution providers, including a non-statutory requirement that key personnel undergo background checks. Moreover, IPEN solution providers will be required to disclose information pertaining to certifications, dependency on certain vendors, disciplinary actions, and pending or recently concluded litigation. IPEN solutions have many similar functions to platforms and largely have access to the same kinds of confidential and sensitive information. Therefore, the Department proposes to require that technology companies offering IPEN solutions undergo the same security and background requirements as platforms to help mitigate risks arising from individual or corporate malfeasance.

The administrative impacts of new application requirements assume that each of the eleven existing IPEN providers receives its first approval under the new rules in 2026 and that renewals occur in 2029 and 2032. A certification of interim compliance would also occur during each non-application year. Costs for IPEN solution providers are projected by estimating the amount of administrative time it would take to satisfy these requirements and multiplying it by an administrative salary rate. Application renewals are projected to take less time than initial applications, as the Department intends to implement online application functionality that allows the IPEN solution provider to affirm or update prior application information. Costs evaluated in this section relate to application and continuing compliance verification requirements found in Subchapter J, Sections .1200 and .1300.

Between three-year reapplication cycles, existing IPEN solution providers will be required to continue meeting applicable rules and certify interim compliance with these rules annually. See Rules 18 NCAC 07J .0211-.0214. While the filing requirements for this certification will be minimal, the Department projects that the compliance contact will spend approximately forty hours annually monitoring compliance with the rules applicable to technology providers. However, existing rules also implicitly require the monitoring and maintenance of rule compliance by existing IPEN providers. A net increase of 15 hours per year is projected for the compliance contact to monitor compliance issues associated with the more expansive set of regulations proposed in Subchapter J. Examples of the tasks performed by a compliance contact may include integration of software updates in response to rules, evaluation of software updates or business decisions to ensure ongoing rule compliance, providing notice of changes to the software or relevant business information, remaining current on education requirements, and managing the regulatory relationship between the solution provider and the Department.

To evaluate technical costs, application rules were evaluated to determine whether they imposed requirements different from the current baseline for IPEN providers. The administrative aspects of the application and the role of the compliance contact were assumed to be performed by a person in the

(OEWS) job category “First-Line Supervisors of Office and Administrative Support Workers⁸.” Total compensation for this role is \$70.46/hr. A time estimate was developed for this person to complete each administrative task necessary to comply with application-related rules. Time estimates were then converted into discounted costs for an individual IPEN provider for the 2025-2034 period.

To complete these tasks, including the routine functions associated with evaluating and maintaining continuing compliance, an additional 140 hours of time is projected in 2026 for each IPEN provider. This results in discounted costs of approximately \$8,400 per provider or \$93,000 for all eleven existing IPEN providers in 2026. The total discounted cost for a single IPEN provider to comply with the changes in the proposed rules of this section are projected at approximately \$23,000 (in 2024 dollars) from 2025-2034. The cost for all 11 existing IPEN providers to comply with the rule changes of this section are approximately \$250,000 (in 2024 dollars) for the 2025-2034 period.

Programming and Information Security Costs

The most significant new costs for existing IPEN providers are likely to arise from the implementation of new technically-oriented regulations. The regulatory costs evaluated in this section correspond to requirements in proposed rule sections 18 NCAC 07J Sections .0100, .0200, .0600, .0700, .0800, .1000, and .1200.

To evaluate technical costs, the cross-functional team reviewed all rules applicable to IPEN providers to determine whether they imposed requirements different from the current baseline. The Department has reviewed and is familiar with the function of the eleven existing IPEN providers because it presently approves their IPEN solution. Therefore, when the Department was confident that all existing IPEN providers currently demonstrate compliance with a new rule requirement, the Department did not ascribe new costs to the rule.

The team then developed a limited list of IT-related job categories that would be necessary to implement requirements from each rule or related set of rules. The five job categories used were “Computer and Information Systems Managers,” “Information Security Analysts,” “Network and Computer Systems Administrators,” “Software Developers,” and “Software Quality Assurance Analysts and Testers.” The team then developed a time estimate for an employee in each job category to complete project-related tasks necessary to comply with the rule. The team also directly projected non-personnel costs when appropriate. Relying upon BLS data for each job category, time estimates were then converted into discounted costs for individual IPEN providers from 2025-2034.

A summary of costs is provided in Table 4. The estimated costs for a single IPEN provider to come into compliance with these IT-related rules prior to the 2026 application deadline is approximately \$40,000 to \$91,000. Variable costs represent the variable amount of time estimated to complete various rule-related projects. Costs would likely be on the lower end for providers with efficient staff who encounter no unforeseen technical challenges, whereas less efficient staff and unforeseen technical challenges might result in costs on the higher end. The cost across all eleven current IPEN providers is projected at approximately \$440,000 to \$1 million. The discounted ten-year cost for a single IPEN provider to maintain compliance with these rules is approximately \$120,000 to \$240,000, while the cost across all

⁸ https://www.bls.gov/oes/current/naics4_513200.htm#43-0000

eleven current IPEN providers is approximately \$1.3 million to \$2.6 million. Table 5 references the costliest rules identified in the impact analysis using a threshold of \$5,000 in any year.

Table 4: Summary of Programming and Information Security Costs (discounted to 2024 dollars, 7% discount rate)

	2025 Low	2025 High	10-Year Low	10-Year High
Compliance Costs per IPEN Solution Provider	\$40,000	\$91,000	\$120,000	\$240,000
Compliance Costs for all IPEN Solution Providers	\$440,000	\$1,000,000	\$1,300,000	\$2,600,000

Table 5: Programming and Information Security Rules with Maximum Costs Exceeding \$5,000 in Any Year (discounted to 2024 dollars, 7% discount rate)

Rule Title	2025 Low	2025 High	10-Year Low	10-Year High
Entry to Dept. Database	\$6,000	\$15,000	\$40,000	\$60,000
Time Limit For Transfer From Depository	\$5,000	\$10,000	\$5,000	\$10,000
IT Security Audit	\$5,000	\$9,000	\$14,000	\$28,000
Security Plan	\$5,000	\$9,000	\$6,000	\$11,000
Security Incident Response Plan	\$3,000	\$9,000	\$3,000	\$9,000
Vulnerability Detection and Remediation	\$3,000	\$5,000	\$20,000	\$40,000

Projected costs incurred by IPEN solution providers are highly dependent on assumptions made regarding existing vendor practices. For example, voluntary compliance with third-party IT security audits is a generally accepted industry standard for technology companies. Depending on the size of the company and the scope of the audit, the costs to secure a third-party auditor are estimated to range from approximately \$35,000 to \$100,000 or more. The Department’s estimate of these costs derives from professional judgment and prior proposals from third-parties to conduct information technology audits for the Department. For many companies, these types of audits would likely apply to other technology products offered by the provider. As such, audit costs would not necessarily be attributable to these proposed rules.

Ongoing Compliance Costs

Rules in Subchapter J, Sections .0100, .0200, and .0600 describe ongoing compliance requirements for notary technology providers. While compliance with most of these rules will not incur costs, some rules result in relatively minor impacts. The requirement to notify the Department in the event of a data breach is estimated to require approximately 5 hours of the compliance contact’s time per event, or an undiscounted cost of \$350 (5 hours x \$70 time cost/hr.). The requirements to notify the Department of an outage (Rule .0206), business information changes (Rule .0203), or changes after approval (Rule .0201) are each estimated to require approximately 1 hour of the compliance contact’s time to address per event, or an undiscounted cost of \$70 per event. New restrictions on the use of data and advertising (Rules .0115 and .0111, respectively) potentially limit or eliminate some revenue streams, but such impacts were judged to be outweighed by security considerations and the inherent value principals and notaries place on protecting their time and information. Finally, IPEN providers will be required to develop and post a service level agreement online (Rules .0109 and .0608(8)). Assuming that service level terms are already part of the notary’s contractual agreement with an IPEN service provider, the requirement to separate and post these terms online is projected to require approximately 1 hour of the compliance contact’s time to address, or an undiscounted cost of \$70 for initial posting or for any subsequent updates.

A final ongoing compliance cost for IPEN providers is found in the IPEN account creation rule (Rule .1201). IPEN solution providers, like platforms, will be required to use credential analysis and identity proofing tools to verify a notary's identity during the account creation process. Unlike platforms, which are required to integrate this technology into their products, IPEN solutions may be required to secure the services of a vendor for this purpose. Based upon online advertisements from a company that offers this service for retail customers, the cost is projected at \$4 per eNotary account when the account is established. IPEN solution providers may be able to secure a volume discount or different rate structure from credential analysis and identity proofing providers in lieu of advertised retail rates.

Costs to Notary Seal Manufacturers

This rulemaking package implements new rules for notary seal manufacturers in Subchapter G. These rules implement newly applicable laws, particularly statutory requirements in S.L. 2023-57, that are intended to prevent and deter fraud by ensuring only commissioned notaries may purchase a traditional notary seal. This subchapter further provides, for the first time, comprehensive and organized references to statutes and rules a traditional notary seal manufacturer must follow.

For the first time, notary seal manufacturers are required to obtain satisfactory evidence of a notary's identity and verify that the notary has been commissioned by querying the Department's database. These requirements will add processing time for the manufacturer for each purchaser of a notary seal. This requirement is statutory and impacts are not further evaluated. See G.S. 10B-36(e). However, the Department will require the seal manufacturer to preserve a copy of the notary's commission certificate for ten years to provide the Department with an auditable means of assuring statutory compliance. As a result, the seal manufacturer will incur filing and storage costs. This is a cost attributable to rule and is further evaluated below. See Rule 18 NCAC 07G .0107.

The number of seals manufactured annually for North Carolina notaries is estimated based upon the number of total notaries, annual notary appointments and annual reappointments. All newly-appointed notaries will require a seal, with volume projected at 16,325 seals annually. See Table 6. Some recommissioned notaries may continue using their existing seal, while others may replace them because their prior notary commission expiration date was included on their stamp. To account for uncertainty in this projection, the Department aggressively projects between 25% and 50% of notary seals will be replaced upon reappointment. Seals may also be replaced in other circumstances including loss, theft, or excessive wear. The Department projects between 2% and 5% of the approximately 160,000 notaries may also replace their seals annually for these reasons. Based upon these assumptions, the Department projects that between 24,000 and 33,000 notary seals are manufactured for North Carolina notaries annually.

Table 6: Notary appointment volume

Year	Notary Appointments	Notary Reappointments	eNotary Registrations
2019	14,899	17,953	380
2020	10,778	18,525	2,291
2021	18,816	17,663	1,146
2022	20,362	17,798	1,425
2023	16,770	16,544	1,664
Average	16,325	17,697	1,381

The collective time required for a notary seal manufacturer to copy, file, and retain a notary certificate is estimated at 1/20th of one hour (3 minutes) for each seal manufactured. Therefore, the additional administrative impacts for these rules to notary seal manufacturers is projected at between 1,200 and 1,650 hours annually.⁹ Projected time costs to notary seal manufacturers and vendors for this rule are in Table 7.

Table 7: Discounted Notary Seal Manufacturer Industrywide Filing Cost Projections (rounded)

CY 2025 (low)	\$18,000
CY 2025 (high)	\$24,000
CY 2026 (low)	\$31,000
CY 2026 (high)	\$42,000
2025-2034 NPV (low)	\$250,000
2025-2034 NPV (high)	\$340,000

In addition to filing notary commission certificates, traditional notary seal manufacturers and vendors will incur time costs due to the new regulatory requirement that they register with the Department and renew their registration annually. See Rules 18 NCAC 07G .0109 and 18 NCAC 07G .0110. The number of traditional seal manufacturers currently serving North Carolina notaries is presently unknown. To develop an estimate, a popular search engine was queried using the search term “buy NC notary seal.” The first five pages of results displayed 34 independent retail websites, many of which were repeated. To account for deeper search results and manufacturers who do not sell directly to the customer, an estimate of 50 entities requiring registration was used to develop fiscal impact projections.

The amount of time required to complete and transmit the registration form is estimated at one hour of time annually for each manufacturer or vendor. Forms were assumed to be completed by traditional notary manufacturers and vendors using the above-referenced office clerk wage estimates. Across all

⁹ Notary stamp manufacturers were assigned NAICS Code 339940 (Office Supplies (except Paper) Manufacturing. National Industry-Specific Occupational Employment and Wage (OEWS) Estimates for this sector are more coarse (Other Misc. Manufacturing: 339900). It was assumed that duties would be performed by office clerks (43-9061) with a \$22.16/hr mean wage and \$31.52/hr total employer compensation (\$2024).

manufacturers and vendors assumed to service North Carolina notaries, time costs associated with new registration requirements are projected at approximately \$1,500 for the year 2025. The present value for time costs associated with new registration requirements is projected at approximately \$11,000 total for years 2025-2034.

These rules, while incurring relatively minor costs, provide an unquantified but substantial public policy benefit. First, these rules provide a fraud deterrence effect. Persons seeking to fraudulently obtain a notary seal may hesitate to develop or provide documentation to a notary manufacturer or vendor if that documentation can later be used as evidence of a crime. Second, the rules establish a known list and associated contact information for legitimate notary seal manufacturers. This list can assist and expedite notary fraud investigations conducted pursuant to G.S. 10B-60 and will help ensure compliance with S.L. 2023-57.

Costs to the Department of the Secretary of State

Rule Costs

As discussed above in the context of IPEN solution provider impacts, the Department has elected to harmonize many requirements for IPEN solution providers and platform providers. This approach also results in new costs to the Department incurred due to a more robust application review process for IPEN solutions.

Presently, IPEN solution provider applications are reviewed primarily by two staff members classified as Program Manager I and Application Systems Specialist I. Each of these Department employees presently spends between 15-20 hours coordinating and reviewing each IPEN solution provider's application. The Secretary of State and her deputies are traditionally engaged on a more limited basis to address elevated policy issues, observe the final product demonstration, and participate in approval deliberations. The Department estimates its staff, in total, spend between about 33-43 hours per IPEN application. This level of time investment for these Department personnel is projected to remain static under the proposed rules.

However, the more robust technical requirements in the proposed rules will require an expansion of the application review team. An Administrative Specialist II, Program Coordinator III, and Program Supervisor I will conduct an initial completeness review. The application review team will also engage a Network Engineer, IT Security and Compliance Specialist II, and IT Director II to evaluate compliance with new, more technically-oriented rule requirements.

To project impacts, low and high time investments for application review was projected for each position. These time investments were multiplied by the hourly total compensation¹⁰ for each position and discounted by the statutorily required 7% rate. The first review of applications for existing IPEN solution providers is slated to occur in 2026, with recurring applications required in 2029 and 2032.

The Department projects that its staff, in total, will spend between 62-76 hours per IPEN application under the proposed rules. This is an increase of between 29-33 hours as compared to the existing review process. Application reviews for IPEN solution providers under the proposed rules are projected to begin

¹⁰ Total compensation for Department employees includes midpoint salary + benefits/overhead. Benefits/overhead was estimated to be 50% of the salary range midpoint.

in the year 2026. Factoring in the additional time and staff needed to review the more robust technical requirements under the new application rules, the proposed rules will have an added time cost to the Department of between \$2,000 to \$2,300 per IPEN application. The one-year net time cost to the Department to review all IPEN solution provider applications (11) is projected to be about \$22,000 to \$25,000 higher than under the existing regulations (\$54,000 to \$62,000 total for years 2025-2034, NPV, 7%).

Staffing Implications

The costs described elsewhere in this fiscal note focus on regulatory impacts above the baseline condition. However, some examination of statutory costs is necessary considering OSBM's requirement in G.S. 150B-21.4 to certify that funds are available to cover expenditures required by the proposed rule changes.

RENA requires platforms to remit a \$5 fee to the Department for each notarial act performed. See G.S. 10B-134.19(g). These fees, along with platform application fees required by G.S. 10B-134.19(f), are the primary means by which the Department's RENA implementation will be funded. Therefore, a break-even analysis is conducted to estimate how many platform transactions will be required to support new Department positions required to implement RENA.

Two break even scenarios are evaluated. Staffing scenario one is addressed by Section 8(a) of S.L. 2022-54 and includes "one attorney, one information technology specialist, and two law enforcement positions." Staffing scenario two is the staffing scenario presently preferred by the Department, which calls for seven positions. These scenarios are evaluated for a period of five years beginning in FY 2026, which is the first full year in which licensed platforms will be permitted to operate.

Staffing scenario one would result in the hiring of an Attorney II position, an Application Systems Specialist position, and two Financial Investigator I positions. Total compensation for these positions at the midpoint salary in FY 2026 is projected at \$556,000. With a platform fee of \$5.00 per transaction, 111,000 remote notarial transactions will be required for the Department to break even at this staffing level. Assuming 3% annual raises, that figure will increase to 125,000 transactions in FY 2030.

Staffing scenario two would result in the hiring of the same positions as scenario one but with the addition of a Program Coordinator IV position and two Administrative Specialist positions. Total compensation for these positions at the midpoint salary in FY 2026 is projected at \$841,000. With a platform fee of \$5.00 per transaction, 168,000 remote notarial transactions will be required for the Department to break even at this staffing level. Assuming 3% annual raises, that figure will increase to 189,000 transactions in FY 2030.

Costs to Notaries Public

The primary purpose of this rulemaking package is not the direct regulation of notaries public, but it is foreseeable that some regulatory costs may be incurred by notaries. These costs would primarily result for eNotaries who only conduct in-person electronic notarizations, hereafter "in-person eNotaries." The same requirements and costs apply to eNotaries when they perform remote electronic notarizations, but these costs are attributable to existing statute rather than these proposed rules.

The primary regulatory cost to be incurred by in-person eNotaries is the requirement to retain journal entries for ten years. The requirement to retain journal entries for ten years presently applies to emergency video notarizations pursuant to G.S. 10B-25(i) and to remote electronic notarizations pursuant to G.S. 10B-134.15(b)(2). The same ten-year retention requirement will apply to in-person eNotaries pursuant to 18 NCAC 07F .1003. To comply with this rule, in-person eNotaries will be required to identify and procure the services of an approved custodian or act as a custodial notary.

Because custodians have not yet been approved to offer services in North Carolina, retail data storage rates are used as a proxy for approved custodian costs. A session record (.pdf file) containing required text and signatures typical of a journal entry is conservatively assumed to be 500 KB in size. Unlike remote transactions, session records documenting in-person electronic notarizations will not include embedded videos and therefore will be smaller in size. Momentarily setting aside the existence of free accounts with limited storage, two popular cloud storage providers offer 100GB of storage for \$20 annually, which would conservatively store 200,000 session records documenting in-person electronic notarizations. The ten-year discounted cost to procure this level of storage would be \$140 per notary.

An in-person notary may elect to serve as a custodial notary, in which case it is assumed that their cost of compliance is less than or equal to the cost of procuring the services of an approved custodian. Many cloud providers provide several gigabytes of free storage, and compliance could be achieved by using free backup services in conjunction with storage on the computer used to conduct the in-person electronic transaction.

A notary who wishes to avoid these costs may decline to become an eNotary or may decline to perform electronic notarial acts after the implementation date of these rules. The Department expects eNotaries will only perform these functions when their benefit exceeds their costs.

More generally, it is foreseeable that new regulatory costs incurred by notary seal manufacturers and IPEN solution providers, described elsewhere in this fiscal analysis, may be passed along to their notary public customers. Notaries are limited by statute regarding their ability to recoup increased costs from principals.

Alternatives Analysis

No action for IPENs

One option closely contemplated by the Department was to take no specific rulemaking action with respect to IPEN providers. Under such an approach, the three existing rules governing IPEN providers would be renewed without amendment while new technology rules implementing RENA would apply to other types of notary technology providers.

The Department ultimately determined that this approach would create substantial confusion for eNotaries, who are typically authorized to conduct both in-person and remote notarial transactions. Substantial differences would arise in critical notarial requirements like maintenance of eNotary journals. Moreover, substantial challenges might arise for technology providers intending to provide or even integrate solutions for both in-person and remote notarial acts.

Such an approach would fail to realize the substantial benefits of rules promulgated for all technology providers. The rules of Subchapter J represent a comprehensive, first-of-its-kind regulatory effort to

ensure the technology underpinning remote notarial transactions supports the objectives of the Notary Public Act while keeping pace with rapid advances in notarial technology, artificial intelligence, remote business practices, and increasingly sophisticated criminal enterprises.

Require Multi-Factor Authentication Technology Providers and Supporting Vendors

Development of these rules required the consideration of many factors and interests. Each proposed rule governing technology providers comes with its own set of cost and benefit tradeoffs, and many of the decisions reflected in these draft rules reflect the Department's best-informed judgment regarding the maximization of net benefits for all groups impacted by these rules.

One example of this policy deliberation was the role of multi-factor authentication (MFA) in protecting access to electronic notary solutions. The proposed rules do require MFA for notaries accessing their accounts. The Department understands that this practice is already widespread among notary solution providers, minimizing the costs to notary solution providers to implement these changes and for notaries to access the solution. Benefits (avoided costs) of this requirement include heightened protection of the notary's electronic seal, loss of which can result in fraud and costs incurred in association with discipline and investigations by the notary and the Department.

A related requirement was considered that would require all technology providers and their supporting vendors to require MFA for all personnel with administrative access to their electronic notary system. This proposal was dropped during policy deliberations and is not included in these proposed rules.

The Department acknowledges that instituting security practices like MFA is likely a generally accepted industry practice for technology providers. However, the Department was concerned that significant costs and inconvenience could accrue for technology providers to implement this security requirement while also monitoring compliance of all supporting vendors. Moreover, lack of MFA in certain circumstances may be appropriate for technology providers where other reliable security safeguards are in place. These safeguards will be substantively addressed in the security plan, and if there are any gaps, they will be reported in the findings in the summary of the IT security audit required by rule 18 NCAC 07J .0621. Requirements for third-party audits and the business risks associated with security breaches provide further assurances that administrative access to electronic notary solutions will be appropriately monitored.

Summary

Most benefits of this rulemaking package accrue to notaries, principals, and the public. While these benefits accrue across many sectors and transaction types, deterring just two instances of seller impersonation fraud in the real estate industry would be sufficient to offset the costs of this package over a 10-year period. See Table 8. The Department inquired among real estate industry professionals regarding the frequency of deed fraud, but none provided reliable data or estimates.

The proposed rules have cost impacts to entities including IPEN solution providers, notary seal manufacturers, and the Department. To a lesser extent the proposed rules incur costs for notaries public and the consumers they serve (principals). Many but not all impacted companies are based out of state. However, it is possible that some business costs may be passed on to North Carolina notaries or principals. Notaries are limited by statute in their ability to recoup costs from principals.

The regulatory baseline from which these impacts are calculated is complicated by several factors, the most important of which is the broad statutory mandate received by the Department to implement rules supporting remote electronic notarial acts. The focus of this analysis is on those areas of impact (costs and benefits) for which the Department has discretion. Chief among them was a determination to ensure IPEN providers and platforms instituted comparable security measures.

The Department also identified key assumptions upon which these impacts are based. Two of the most significant assumptions are recapped here. First, the Department assumed that existing IPEN solution providers have already implemented security practices consistent with general technology industry standards. Second, the Department assumed that impacts to the other four newly-recognized notary solution types (platforms, custodians, credential analysis solutions and identify proofing solutions) are attributable to RENA itself.

As with any economic forecast, uncertainties exist in this analysis. A lack of data precludes the Department from forecasting a unified benefits estimate associated with this rulemaking package. The limited data cited in this analysis indicates the value of deterring and detecting fraud can be very high even for a single notarial transaction, and that fraud is a systemic and widespread concern. These benefits are significant and likely to outweigh costs incurred by regulated entities.

The Department also noted many uncertainties associated with projecting private sector costs to implement these rules. Furthermore, no data presently exists regarding the volume of notarial transactions in North Carolina or the existing or projected proportion of those that are traditional, in-person electronic, or remote. Cumulatively, these uncertainties result in either a range of fiscal impact estimates or preclude the Department from developing quantitative estimates.

As described herein, the Department will use fee revenue to support positions. Fee requirements are fixed in statute. Although uncertain, the Department projects that fee revenue will be sufficient to support staffing levels under two identified staffing scenarios.

In summary, the proposed rules are necessary to fully implement the statutory requirements of RENA while harmonizing the rules governing traditional notarial acts, in-person electronic notarial acts, and remote electronic notarial acts.

Table 8: Summary of Impacts* (discounted to 2024 dollars, 7% discount rate, two significant figures)

Impact Category	2025-2034 costs	2025-2034 benefits
IPEN Solution Providers (administrative)	\$250,000 time costs	Increased regulatory clarity and consistency with platforms used in remote notarial transactions.
IPEN Solution Providers (programming/information security)	\$1.3M-\$2.6M time costs	
IPEN Solution Providers (ongoing compliance)	Minimal time costs ^Q	
Department (application review)	\$54,000-\$62,000 time costs	-
Notaries Public (digital storage of journal)	\$0-\$140 per notary	Increased regulatory clarity and consistency between RENA and traditional notary rules. ^{UNQ}
Notaries Public	Possible modest pass-through costs from notary seal manufacturers and IPEN solution providers. ^{UNQ}	
Notary Seal Manufacturers	\$260,000-\$350,000 time costs	-
Principals/Public	-	Enhanced cybersecurity and personal data protection should increase likelihood of avoiding direct and indirect costs related to fraud (e.g., \$1.6M per avoided real estate seller impersonation fraud event). ^{UNQ} Consistent accommodations for those w/ vision, hearing, speech impairment.

*To the extent possible, Table 8 is limited to those impacts that are attributable to the proposed rules and does not include impacts that are more directly attributable to statute.

*Q = Other quantified impacts addressed in fiscal note but not projected over 10-year time horizon

*UNQ = Unquantified impacts addressed in fiscal note

18 NCAC 07B .0101 is proposed for amendment as follows:

18 NCAC 07B .0101 SCOPE

The rules in this Subchapter implement Chapter 10B of the General Statutes. The rules govern:

- (1) the qualification, commissioning, notarial acts, conduct, and discipline of notaries public as public officers of the State;
- (2) the qualification, certification, and discipline of certified notary instructors; ~~and~~
- (3) the qualification, approval or licensing, conduct, and discipline of technology ~~providers~~; providers; and
- (4) the conduct and discipline of manufacturers and vendors of notary public seals.

History Note: Authority G.S. 10B-4; 10B-14(f); 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. April 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07B .0102 is proposed for amendment as follows:

18 NCAC 07B .0102 DEFINITIONS

For purposes of this Chapter:

- (1) "Appoint" or "Appointment" means the naming of an individual to the office of notary public after determination that the individual has complied with Chapter 10B of the General Statutes and Subchapter 07C of this Chapter. For the purposes of the rules in this Chapter, the terms "appoint," "reappoint," "appointment," "reappointment," "commission," "recommission," "commissioning," and "recommissioning" all refer to the term "commission" as defined in G.S. 10B-3(4) or to the process of acquiring or maintaining the commission.
- (2) "Appointee" means an individual who has been appointed or reappointed to the office of notary public but has not yet taken the oath of office to be commissioned.
- (3) "Authorization" means a notary commission, an electronic notary registration, an instructor certification, an approval, a manufacturer or vendor registration, or a license issued by the Department pursuant to Chapter 10B of the General Statutes.
- (4) "Authorize" means the Department's action to issue an authorization.
- (5) "Commission date" means the beginning date of commissioning or recommissioning as entered on a commission certificate.

- (6) "Court" means a tribunal of a locality, state, the Armed Forces of the United States, a federally recognized tribe, or any nation.
- (7) "Crime" means:
- (a) an offense designated by law as a felony or misdemeanor;
 - (b) an attempt to commit an offense;
 - (c) an accessory to commission of an offense;
 - (d) aiding and abetting of an offense;
 - (e) conspiracy to commit an offense;
 - (f) solicitation to commit an offense; or
 - (g) threat to commit an offense.
- An infraction as defined in G.S. 14-3.1 is not a crime.
- (8) "Crime involving dishonesty" means a crime that involves untruthfulness, deceit, fraud, false dealing, cheating or stealing.
- (9) "Criminal convictions" means the following dispositions of criminal charges:
- (a) adjudications of guilt;
 - (b) pleas of nolo contendere;
 - (c) pleas of guilty;
 - (d) Alford pleas;
 - (e) conditional discharges;
 - (f) prayers for judgment continued; and
 - (g) dispositions denominated differently but equivalent to Sub-Items (a)-(f) in this Item.
- (10) "Denial" with regard to public office means an individualized action:
- (a) to disqualify an individual from:
 - (i) being a candidate for an elected public office; or
 - (ii) holding or filling a public office; and
 - (b) that is taken by:
 - (i) a governmental agency, a legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation; or
 - (ii) a court.
- (11) "Disciplinary action" means an official action by a court, legislative body, governmental agency, board, or commission of any locality, state, federally recognized tribe, or nation resulting in:
- (a) a disciplinary order;
 - (b) a censure;
 - (c) a reprimand;
 - (d) an admonition;
 - (e) a resignation in lieu of termination or revocation;
 - (f) a denial;

- (g) a written warning; ~~or~~
- (h) a civil penalty or fine; or
- ~~(h)~~(i) actions denominated differently but equivalent to Sub-Items (a)-~~(g)~~(h) in this Item.

(12) "Disciplinary order" means a directive or its equivalent that:

- (a) is directed to a holder of a professional license or a commissioned notary public;
- (b) prohibits or conditions an individual from engaging in the practice of the profession or acting as a notary public for any amount of time;
- (c) is issued by a court or government agency, board, or commission of any locality, state, federally recognized tribe, or nation with authority to discipline or sanction the individual or notary public; and
- (d) is not stayed, rescinded, reversed, or expunged.

Note: Suspensions, restrictions, and revocations of commissions or licenses are examples of disciplinary orders.

(13) "Family member" means an individual related by blood, marriage, or adoption.

(14) "Finding" means a decision, conclusion, or opinion by a court, legislative body, or governmental agency, board, or commission of any locality, state, federally recognized tribe, or nation that is based upon a review of evidence in an investigation, a quasi-judicial proceeding, or a judicial proceeding resulting in a determination that:

- (a) a fact has been proved according to the applicable legal standard; or
- (b) a law applies to the specific facts in a matter.

(15) "Harm" means:

- (a) loss or damage to a person affecting:
 - (i) liberty;
 - (ii) child custody, parental rights, child support, or visitation;
 - (iii) reputation;
 - (iv) money;
 - (v) property;
 - (vi) time; or
 - (vii) a contract or transaction; or
- (b) an act that undermines public confidence in the reliability of notarial acts or notarial instructor certification.

(16) "IPEN" means an in-person electronic notary solution, comprised of an electronic notary public seal, an electronic notary signature, and an electronic notary journal.

~~(16)~~(17) "Issuance" with regard to public office means an action:

- (a) to certify the results of an election signifying that an individual has been elected to the public office; or
- (b) to appoint an individual to fill a public office; and

- (c) that is taken by:
 - (i) a governmental agency, board, or commission, a legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation; or
 - (ii) a court.

~~(18)~~ (18) "Journal" means a collection of entries describing notarial acts that is created and maintained by a notary public in compliance with Chapter 10B of the General Statutes and the rules in this Chapter.

~~(17)~~(19) "Licensed member of the North Carolina State Bar" means an active member as defined in 27 NCAC 01A .0201(b).

~~(18)~~(20) "Name for use on a notary public commission" or "commission name" means the name chosen by a commission applicant as the applicant's commission name and consisting of:

- (a) the full legal name of the commission applicant; or
- (b) a combination of the applicant's surname and:
 - (i) full first or middle name; or
 - (ii) full first or middle name and one or more initials derived from the applicant's full legal name.

Note: Full legal names, full first names, and full middle names shall not include nicknames.

~~(19)~~(21) "Notarial act" means, in addition to those acts listed in G.S. 10B-3(11), acts authorized to be performed by a notary public pursuant to:

- (a) G.S. 163-231(a); and
- (b) G.S. 53C-6-13(a).

~~(20)~~(22) "Notary course" means a course taught by a certified notary instructor for purposes of:

- (a) commissioning or recommissioning a notary public; ~~or~~
- (b) registering or reregistering an electronic notary ~~public~~ public; or
- (c) educating a compliance contact of a platform or IPEN regarding Chapter 10B of the General Statutes and the rules in this Chapter.

~~(21)~~(23) "Probation" with regard to criminal convictions means active supervision by a governmental agency or its legally authorized designee in lieu of jail or prison.

~~(22)~~(24) "Professional license" means an issuance that involves a grant of authority by a governmental agency, board, or commission of any locality, state, federally recognized tribe, or nation, to an individual to act in a fiduciary capacity, or in a capacity that affects the public interest or public trust, and that regards an occupation requiring training and formal qualification. Professional licenses are:

- (a) attorney;
- (b) appraiser;
- (c) architect;
- (d) boiler inspector;

- (e) building, electrical, fire, mechanical, or plumbing inspector;
- (f) certified nursing assistant;
- (g) certified public accountant;
- (h) code enforcement official;
- (i) electrical contractor;
- (j) engineer;
- (k) general contractor;
- (l) geologist;
- (m) insurance agent;
- (n) insurance company adjuster;
- (o) interpreter or transliterator;
- (p) investment advisor;
- (q) locksmith;
- (r) motor vehicle damage appraiser;
- (s) on-site wastewater contractor inspector;
- (t) pharmacist;
- (u) physician;
- (v) physician assistant;
- (w) plumbing, heating, and fire sprinkler contractor;
- (x) private investigator;
- (y) professional bondsman;
- (z) real estate broker;
- (aa) registered nurse, licensed practical nurse, nurse practitioner;
- (bb) securities broker, dealer, salesman;
- (cc) self-employed insurance adjuster;
- (dd) surety bondsman;
- (ee) sworn law enforcement officer; and
- (ff) teacher.

~~(23)~~(25) "Public office" means a position:

- (a) created by law to which an individual has been elected or appointed;
- (b) involving a delegation to the individual of some of the functions of government to be exercised by the individual for the benefit of the public; and
- (c) with authority that is not solely advisory.

~~(24)~~ "Restriction" with regard to public office means an individualized action:

- ~~(a)~~ to restrain an individual from serving in public office; and
- ~~(b)~~ that is taken by:

- ~~(i)~~ a governmental agency, board, or commission, a legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation;
or
- ~~(ii)~~ a court.

~~(25)~~(26) "Release from prison, probation or parole" means:

- (a) completion of all terms of a sentence or judgment entered as part of a disposition of a criminal charge;
- (b) a certificate or order related to a criminal charge evidencing the individual's unconditional discharge;
- (c) a certificate of relief pursuant to G.S. 15A-173.4;
- (d) an endorsement from the Governor after satisfaction of conditions of a conditional pardon pursuant to G.S. 13-4;
- (e) an unconditional pardon pursuant to G.S. 13-3;
- (f) an order that a conviction is vacated; and
- (g) the individual's citizenship has been restored pursuant to G.S. 13-1;
- (h) an action that is equivalent to Sub-Items (a)-(f) of this Item entered by a court, or an official or body of a state, federally recognized tribe, or nation with the authority to grant pardons.

~~(26)~~(27) "Residence address" means a physical location with a street name, and a number designating the building in which an individual resides, including an apartment or unit number if applicable, the city, state, zip code, and nation if not the United States.

(28) "Restriction" with regard to public office means an individualized action:

- (a) to restrain an individual from serving in public office; and
- (b) that is taken by:
 - (i) a governmental agency, board, or commission, a legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation;
or
 - (ii) a court.

~~(27)~~(29) "Revocation" with regard to an individual's capacity to serve in a public office means an individualized action:

- (a) to void or cancel a certification of election to office; or
- (b) to remove an individual from a public office; and
- (c) that is taken by:
 - (i) a governmental agency, board, or commission, a legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation;
or
 - (ii) a court.

~~(28)~~(30) "Suspension" with regard to a public office means an individualized action:

- (a) to prohibit, for a finite period of time, an individual's authority to serve in a public office; and
- (b) that is taken by:
 - (i) a governmental agency, board, or commission, legislative body, or a member of the executive branch of any locality, state, federally recognized tribe, or nation; or
 - (ii) a court.

History Note: Authority G.S. 10B-4; 10B-14(f); 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
 Eff. April 1, 2007;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
 Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07B .0105 is proposed for amendment as follows:

18 NCAC 07B .0105 OBTAINING REQUESTED INFORMATION

A ~~filer~~ person responding to a departmental information request shall:

- (1) use reasonable efforts to obtain information requested by the Department;
- (2) deliver to the Department all requested information that is available to the ~~filer~~; person; and
- (3) if unable to obtain requested information, describe to the Department the efforts taken to obtain the information.

History Note: Authority G.S. 10B-4; 10B-14(f); 10B-107; 10B-134.21;
 Eff. July 1, 2024, 2024;
 Amended Eff. July 1, 2025.

18 NCAC 07B .0110 is proposed for amendment as follows:

18 NCAC 07B .0110 REQUEST TO DEPARTMENT FOR CONFIDENTIAL INFORMATION

A request to the Department for information about a notary public or a technology provider that is confidential pursuant to ~~G.S. 10B-7, G.S. 10B-60, G.S. 10B-106,~~ law, rule, or regulation or that is personally identifiable information shall:

- (1) be in writing;
- (2) include the name of the requestor and contact information for the requestor; and
- (3) document the right and authority of the requestor to receive the confidential information.

Note: Confidentiality laws include: G.S. 10B-7, G.S. 10B-60, G.S. Chapter 66, Article 24, G.S. 132-1.2.

History Note: Authority G.S. 10B-4; 10B-106;
Eff. April 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07B .1001 Eff. June 1, 2023;
Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07B .0111 is proposed for adoption as follows:

18 NCAC 07B .0111 PROPERTY OF NOTARY PUBLIC

A notary public's traditional notarial seal, electronic notary seal and signature, journals, communication technology recordings, session records, notarial records and any information in them are the personal property of the notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0305 is proposed for amendment as follows:

18 NCAC 07B .0305 RESPONSE TO QUESTIONS AND REQUESTS FOR INFORMATION

A ~~filer~~ person responding to a departmental information request shall respond to departmental requests for information within the time and in the manner specified based upon the Department's consideration of:

- (1) the nature of the information requested;
- (2) the urgency of the Department's need for the information; and
- (3) the ease of production by the recipient of the request.

History Note: Authority G.S. 10B-4; 10B-126; 10B-134.17; 10B-134.19; 10B-134.21;
Eff. July 1, ~~2024~~ 2024;
Amended Eff. July 1, 2025.

18 NCAC 07B .0308 is proposed for amendment as follows:

18 NCAC 07B .0308 SIGNATURE FOR ENTITY

(a) If ~~a person~~ an individual is signing a form or other filing document for a technology provider or other business entity:

- (1) the signer shall be duly authorized by law or the entity to sign; and
 - (2) the signer shall state the signer's title, position, and authorization to sign.
- (b) For purposes of this Rule, "duly authorized by law" means as required by G.S. 55D-10(b)(5) for an entity, by the owner for a sole proprietorship, or by a general partner for a general partnership.

History Note: Authority G.S. 10B-4; 10B-6; 10B-106; 10B-125; 10B-134.19; 10B-134.21;
Eff. July 1, ~~2024~~. 2024;
Amended Eff. July 1, 2025.

18 NCAC 07B .0310 is proposed for amendment as follows:

18 NCAC 07B .0310 INCOMPLETE FILINGS

The Department shall consider a filing incomplete for:

- (1) failure to provide information required pursuant to Chapter 10B of the General Statutes or the rules in this Chapter;
- (2) failure to tender any fee required by Chapter 10B of the General Statutes or the rules in this Chapter;
- ~~(2)~~(3) lack of a signature required by Chapter 10B of the General Statutes or the rules in this Chapter; or
- ~~(3)~~(4) lack of a notarial act where required by Chapter 10B or the rules in this Chapter.

History Note: Authority G.S. 10B-4; 10B-125; 10B-126; 10B-134.17; 10B-134.19; 10B-134.21;
Eff. July 1, ~~2024~~. 2024;
Amended Eff. July 1, 2025.

18 NCAC 07B .0313 is proposed for adoption as follows:

18 NCAC 07B .0313 EXTENSION REQUEST TO DEPARTMENT

- (a) A person responding to a departmental information request may submit a request for an extension of time to respond to a Department request pursuant to Rule .0305 of this Section.
- (b) A request pursuant to Paragraph (a) of this Rule shall:
 - (1) be for an extension lasting no more than 30 days; and
 - (2) include the reason an extension is necessary.
- (c) This rule does not apply to Department investigations made pursuant to G.S. 10B-60.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0314 is proposed for adoption as follows:

18 NCAC 07B .0314 DEPARTMENT RESPONSE TO EXTENSION REQUEST

When deciding whether to grant an extension request, the Department shall consider the factors listed in Rule .0108 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0402 is proposed for amendment as follows:

18 NCAC 07B .0402 CONTACT INFORMATION

For purposes of the rules in this Section, unless otherwise indicated, "contact information" means:

- (1) for a ~~key an~~ individual who is identified pursuant to ~~G.S. 10B-134.19(e)(2);~~ G.S. 10B-134.19(c)(2) by a platform, by an IPEN, or for key individuals operating a sole proprietorship or general partnership:
 - (a) the full name of the individual;
 - (b) the following addresses:
 - (i) residential address;
 - (ii) business address;
 - (iii) mailing address;
 - (c) business telephone numbers;
 - (d) business email addresses;
 - (e) any other names by which the individual is known, including nicknames;
- (2) for a business entity:
 - (a) the name of the entity on record with the Secretary of State, formation or filing office in its state, federally recognized tribe, or country of formation;
 - (b) the name of the state, federally recognized tribe, or country of formation;
 - (c) the year of formation;
 - ~~(d)~~ the street address, and the mailing address if different, of the entity's principal office;
 - ~~(e)~~ the street address, and the mailing address if different, of the entity's registered office;
 - ~~(f)~~ the principal office telephone number of the entity;
 - ~~(g)~~ the email address of the entity;
 - ~~(g)~~ the URL for the entity's website, if any;
 - ~~(h)~~ the name of an individual who is designated by the entity as the primary contact between the Department and the entity, and for that individual:
 - (i) title and position;
 - (ii) telephone number;

- (iii) mailing address if different from the addresses provided in Sub-Items (2)(c) and (d) of this Item;
- (iv) primary email address;
- (v) secondary email address, if applicable;
- ~~(j)~~(j) the name of an individual designated as the secondary contact between the Department and the entity if the individual named in ~~Sub-Item (2)(h)~~ Sub-Item (2)(i) of this Item is not available; and
- ~~(j)~~(k) the information in ~~Sub-Item (2)(h)~~ Sub-Item (2)(i) of this Item for the secondary contact individual named in ~~Sub-Item (i)~~ Sub-Item (2)(j) of this Item; or
- (3) for a technology provider's, or traditional seal manufacturer or vendor's registered agent listed on an ~~application filed pursuant to G.S. 10B-134.19:~~ application:
 - (a) the name of the registered agent;
 - (b) the registered office address for the registered agent and mailing address if different; and
 - (c) a business email address for the registered agent.

History Note: Authority G.S. 10B-4; 10B-134.21;
 Eff. July 1, ~~2024~~ 2024;
 Amended Eff. July 1, 2025.

18 NCAC 07B .0405 is proposed for amendment as follows:

18 NCAC 07B .0405 FORM NOTIFYING DEPARTMENT OF SELECTION OF TECHNOLOGY PROVIDERS BY ~~ELECTRONIC NOTARIES~~ NOTARY PUBLIC

The form notifying the Department of the selection of technology providers by ~~an electronic~~ a notary public includes:

- (1) the name on the notary's commission;
- (2) the notary's commission number;
- (3) the name of the technology providers selected by the notary to provide:
 - (a) ~~electronic signatures; signatures and (b)~~ electronic seals; and
 - ~~(b)~~ electronic journals;
- (4) the name of the custodian selected by the notary to provide custodial services ~~for~~ for:
 - (a) ~~electronic journals; journals and their backups, if applicable;~~
 - (b) communication technology recordings and their backups, if applicable;
- (5) if the notary named himself or herself in Sub-Item (4)(a) of this Rule as custodian of the notary's electronic journals and journal backups, the notary's certification that the notary shall:
 - (a) serve as a custodial notary; and
 - (b) comply with all custodial notary rules in 18 NCAC 07J Section .2200;

- ~~(5)~~(6) for an electronic notary who plans to perform remote electronic notarial acts, the names of the technology providers selected by the notary to provide platform services;
- ~~(6)~~(7) the anticipated dates on which the notary will begin using the technology providers;
- ~~(7)~~(8) the signature of the notary; and
- ~~(8)~~(9) the date on which the notary signs the form.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125; 10B-126; 10B-127; 10B-134.15; 10B-134.21; 10B-134.23;
Eff. March 1, ~~2025~~, 2025;
Amended Eff. July 1, 2025.

18 NCAC 07B .0408 is proposed for amendment as follows:

18 NCAC 07B .0408 AFFIDAVIT OF MORAL CHARACTER

The affidavit of moral character form requires:

- (1) the applicant's name for use on a notary public commission, ~~if available, the full legal name of the key individual,~~ or the full legal name of the individual about whom the affidavit is ~~prepared;~~ prepared, as applicable;
- (2) information about the character witness:
 - (a) the affiant's name, contact information, and occupation;
 - (b) how the affiant knows the individual;
 - (c) how long the affiant has known the individual;
 - (d) how the affiant has had the opportunity to form an opinion of the individual's character; and
 - (e) whether the affiant is aware of criminal charges against, or criminal convictions of, the individual;
- (3) the affiant's opinion whether the charges against, or convictions of, the individual will affect the ability of the individual to comply with Chapter 10B of the General Statutes;
- (4) a declaration whether the affiant personally recommends the individual for an authorization requiring honesty, integrity, trustworthiness, and high standards of moral character;
- (5) ~~the signature of the affiant and the date signed;~~
- ~~(6)~~ a declaration under penalty of perjury that the information provided is true and complete to the best of the affiant's knowledge and ~~belief.~~ belief; and
- (6) the signature of the affiant and the date signed.

History Note: Authority G.S. 10B-4; 10B-134.19;
Eff. July 1, ~~2024~~, 2024;

Amended Eff. July 1, 2025.

18 NCAC 07B .0409 is proposed for amendment as follows:

18 NCAC 07B .0409 APPLICATION FOR RECOMMISSIONING AS NOTARY PUBLIC

The form for application for recommissioning as a notary public before expiration of a commission or within 12 months of commission expiration requires:

- (1) information regarding the applicant's current or, if expired, the most recent commission, including the commission number;
- (2) an imprint or stamp from the applicant's current seal, or most recently expired seal, if the applicant currently possesses a seal;
- (3) information required pursuant to G.S. 10B-11;
- (4) the instructor's signature, if the applicant takes the notary course as part of the recommissioning process;
- (5) information required pursuant to Rule .0407 of this Section that is not otherwise included in Items (1)-(3) of this Rule; ~~and~~
- (6) for recommissioning for a traditional notary who is not also an electronic notary, a statement with regard to technology providers:
 - (a) the notary will continue to use:
 - (i) the name of the technology provider for which the notary has previously provided notice; and
 - (ii) the custodian for the electronic journal for which the notary has previously provided notice;
 - (b) the name of the technology provider that the notary will now use; or
 - (c) at this time, the notary does not have a technology provider; and
- (7) the declaration under penalty of perjury that is required by G.S. 10B-12.

History Note: Authority G.S. 10B-4;
Eff. July 1, ~~2024~~, 2024;
Amended Eff. July 1, 2025.

18 NCAC 07B .0411 is proposed for amendment as follows:

18 NCAC 07B .0411 NOTICE OF CHANGES REGARDING CRIMINAL HISTORY RECORD

The form for notice of changes in criminal history record requires:

- (1) the name of the individual;
- (2) if a commissioned notary public the notary's commission number;

- (3) the last four digits of the individual's SSN;
- (4) contact information for the individual;
- (5) for a previously unreported criminal charge:
 - (a) the date of the charge;
 - (b) the court in which the charge is filed;
 - (c) whether the charge is for a felony or misdemeanor;
 - (d) the name of the charge;
 - (e) whether the charge has been set for a hearing or trial and, if yes, the scheduled date; and
 - (f) the case number;
- (6) for notice of a disposition of a criminal charge:
 - (a) the date of the disposition;
 - (b) the name of the court and the case number;
 - (c) if the disposition resulted in a conviction:
 - (i) whether the conviction was for a felony or misdemeanor; and
 - (ii) the sentence imposed;
 - (d) a copy of the disposition document or judgment;
 - (e) a copy of any document restoring citizenship rights; ~~and~~
- (7) a declaration under penalty of perjury that the information provided is true and correct to the best of the affiant's knowledge and belief; and
- (8) the signature of the individual and the date signed.

*History Note: Authority G.S. 10B-4;
 Eff. July 1, ~~2024~~, 2024;
 Amended Eff. July 1, 2025.*

18 NCAC 07B .0414 is proposed for amendment as follows:

18 NCAC 07B .0414 APPLICATION FOR CERTIFICATION AS NOTARY INSTRUCTOR

The application for certification as a notary instructor form requires:

- (1) the information required by ~~Rule .0407(1)-(2)(i)~~ Rule .0407(1)-(2)(f) of this Section;
- (2) whether the applicant is currently employed as:
 - (a) a register of deeds or clerk of court; or
 - (b) an employee of the Department and is authorized by the Secretary to serve as an instructor;
- (3) the eligible institution for which the applicant will teach if certified as an instructor;
- (4) the name, telephone number, and email address of a contact person at the eligible institution who is knowledgeable about the conditional hiring of the applicant to teach notary courses;

- (5) whether the applicant has a personal copy of the most recent notary public manual approved by the Department and, if yes, the year and edition number;
- (6) whether the applicant has active experience as a notary public;
- (7) whether the applicant has notified the Department of changes as required by Chapter 10B of the General Statutes and the rules in this Chapter or is submitting a change form with the application;
- (8) ~~the printed name and signature of the applicant and the date signed; and~~
- (9) a declaration under penalty of perjury that:
 - (a) the information provided is true and complete to the best of the applicant's knowledge and belief;
 - (b) the applicant remains qualified to be commissioned as a notary public; and
 - (c) the applicant will perform the duties and responsibilities of a certified notary ~~instructor.~~
instructor; and
- (9) the printed name and signature of the applicant and the date signed.

History Note: Authority G.S. 10B-4; 10B-14; 10B-134.21;
 Eff. March 1, ~~2025.~~ 2025.
 Amended Eff. July 1, 2025.

18 NCAC 07B .0420 is proposed for adoption as follows:

18 NCAC 07B .0420 NOTARY FORM TO REPORT TECHNOLOGY DYSFUNCTIONS

The form notaries public and electronic notaries public use to report technology dysfunctions pursuant to 18 NCAC 07D .0309 requires:

- (1) the notary's commission name;
- (2) the name of the technology provider with which the notary is experiencing dysfunctions;
- (3) a description of the dysfunction;
- (4) the basis for concern if a dysfunction is suspected to involve security, privacy or accuracy of credential verification or identity proofing;
- (5) the dates, times, and duration of the dysfunctions; and
- (6) the efforts undertaken to resolve the dysfunctions by the notary or the technology provider.

History Note: Authority G.S. 10B-4; 10B-134.19;
 Eff. July 1, 2025.

18 NCAC 07B .0421 is proposed for adoption as follows:

18 NCAC 07B .0421 STAND-ALONE NOTARIAL CERTIFICATE

If the notarial certificate selected by the principal is on a page separate from the document being notarized, then the notary public shall include on or near the notary certificate the following descriptive language:

- (1) the title or type of document;
- (2) the number of pages of the document being notarized, exclusive of the certificate;
- (3) the names of the principal signers; and
- (4) the date the principals signed.

History Note: Authority G.S. 10B-2; 10B-4; 10B-134.19;
Eff. July 1, 2025.

18 NCAC 07B .0422 is proposed for adoption as follows:

**18 NCAC 07B .0422 APPLICATION FOR TECHNOLOGY PROVIDER AUTHORIZATION –
GENERAL**

Technology provider application forms shall require:

- (1) the type or types of authorization to which the application applies:
 - (a) IPEN;
 - (b) platform;
 - (c) credential analysis;
 - (d) identity proofing; or
 - (e) custodian;
- (2) contact information:
 - (a) the information specified in Rule .0402(2) of this Section for the applicant;
 - (b) the information specified in Rule .0402(3) of this Section for the registered agent of a business entity that is an applicant;
 - (c) the information specified in Rule .0402(1) of this Section for:
 - (i) the applicant’s key individuals; and
 - (ii) the applicant’s compliance contact employee designated pursuant to Item (4)(b) of this Rule, except that the residential address shall not be required; and
- (3) the following general information about the technology provider applicant and its business:
 - (a) the type of business entity;
 - (b) all states and nations in which the technology provider applicant has obtained a certificate of authority to do business, or its equivalent;
 - (c) all assumed business names, trade names, or “doing business as” names used by the applicant in North Carolina, other states, or nations;

- (d) all fictitious or equivalent names registered with the Department or other states or nations because the business' legal name is not available. Note: An example would be a fictitious name registered with the Department pursuant to G.S. 55D-22(a)(6);
 - (e) for legal actions, the information required by 18 NCAC 07J .0416;
 - (f) for debarment involving the applicant or the applicant's key individuals, the information specified in 18 NCAC 07J .0414;
 - (g) for disciplinary actions, the information specified in 18 NCAC 07J .0418;
 - (h) for voluntary exclusion in lieu of debarment involving the applicant or the applicant's key individuals, the information specified in 18 NCAC 07J .0415;
 - (i) for bankruptcy, the information required by 18 NCAC 07J .0420;
 - (j) a summary of its most recent IT security audit as required by 18 NCAC 07J .0621;
 - (4) the following information related to the authorization that the applicant seeks:
 - (a) the name of the product and the version number for which authorization is sought;
 - (b) the full name of the compliance contact who meets the requirements of, and has the duties set forth in, 18 NCAC 07J .0406;
 - (c) minimum hardware and software specifications as required by 18 NCAC 07J .0608;
 - (5) the following information regarding the applicant's provision of the same or similar notarial services in jurisdictions other than North Carolina:
 - (a) the name of each state, tribe or nation; and
 - (b) for each named jurisdiction, the information required by 18 NCAC 07J .0405;
 - (6) a URL link to the information that the applicant is required to provide pursuant to 18 NCAC 07J .0607;
 - (7) information regarding whether the applicant's services as a technology provider have within the preceding five years been the subject of:
 - (a) a security breach; or
 - (b) a ransomware attack, as defined at G.S. 143B-1320(a)(14a);
 - (8) identification and information for third-party vendors, supporting vendors, and businesses pursuant to 18 NCAC 07J .0408-.0411;
 - (9) the applicant's certifications, compliance reports, or equivalents by independent third-party entities with:
 - (a) the information required by 18 NCAC .07J .0413; and
 - (b) if the certifications, compliance reports, or equivalents have levels, grades, or annotations, those applicable to the applicant;
- Note: Examples of acceptable certifications are ISO 270001 and SOC2;
- (10) the applicant's certification that it complies with the requirements to have and implement the plans required by 18 NCAC 07J Section .0600; and

- (11) signature by a key individual employed by the technology provider applicant who has the authority to:
- (a) bind the applicant;
 - (b) make certifications required by this rule and the rules in 18 NCAC Subchapter 07J; and
 - (c) declare under penalty of perjury that:
 - (i) the information provided is true and complete to the best of the signer's knowledge and belief;
 - (ii) the application was prepared under the signer's authority and supervision;
 - (iii) the applicant agrees that representations, promises and assurances of performance in the application are binding on it; and
 - (d) the date on which the application was signed.

History Note: Authority G.S. 10B-4; 10B-126(d); 10B-134.19; 10B-134.21; 10B-134.23(b);
Eff. July 1, 2025.

18 NCAC 07B .0423 is proposed for adoption as follows:

18 NCAC 07B .0423 APPLICATION FOR IPEN AUTHORIZATION

The form used to apply for authorization as an IPEN technology provider requires:

- (1) the information required by Rule .0422 of this Section;
- (2) for each of the technology provider's key individuals:
 - (a) the information required by 18 NCAC 07J .1304;
 - (b) a brief description of the individuals' duties; and
 - (c) the information required by Section .0700 of this Subchapter; and
- (3) the information required by the rules in 18 NCAC 07J .1303.

History Note: Authority G.S. 10B-4; 10B-126(d); 10B-134.21;
Eff. July 1, 2024.

18 NCAC 07B .0424 is proposed for adoption as follows:

18 NCAC 07B .0424 APPLICATION FOR PLATFORM LICENSE

The form used to apply for authorization as a licensed platform requires:

- (1) the information required by Rule .0422 of this Section;
- (2) for each of the technology provider's key individuals:
 - (a) the information required by 18 NCAC 07J .1505;
 - (b) a brief description of the individuals' duties; and

- (c) the information required by 18 NCAC 07B Section .0700; and
(3) the information required by 18 NCAC 07J.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0425 is proposed for adoption as follows:

18 NCAC 07B .0425 APPLICATION FOR CREDENTIAL ANALYSIS AUTHORIZATION

The form used to apply for authorization as an approved credential analysis provider requires:

- (1) the information required by Rule .0422 of this Section; and
(2) the information required by 18 NCAC 07J .1701.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0426 is proposed for adoption as follows:

18 NCAC 07B .0426 APPLICATION FOR IDENTITY PROOFING AUTHORIZATION

The form used to apply for authorization as an approved identity proofing provider requires:

- (1) the information required by Rule .0422 of this Section; and
(2) the information required by 18 NCAC 07J .1901.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0427 is proposed for adoption as follows:

18 NCAC 07B .0427 APPLICATION FOR CUSTODIAN AUTHORIZATION

The form used to apply for authorization as an approved custodian requires:

- (1) the information required by Rule .0422 of this Section; and
(2) the information required by 18 NCAC 07J .2101.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0428 is proposed for adoption as follows:

18 NCAC 07B .0428 CUSTODIAL NOTARY ANNUAL REPORT FORM

The form for annual reports by custodial notaries public requires:

- (1) the commission name and number of the custodial notary;
- (2) the calendar year covered by the annual report;
- (3) the information required by 18 NCAC 07D Section .0300;
- (4) certification that the custodial notary:
 - (a) intends to continue serving as a custodial notary and will continue to comply with the custodial notary rules in 18 NCAC 07H and 18 NCAC 07J;
 - (b) will cease serving within the next 12 months as a custodial notary, and, unless the retention period pursuant to 18 NCAC 07I .0212 will expire during that period, the name of the approved custodian to which the custodial notary will transfer the notary's records and the projected date of transfer;
 - (c) if the notary has already ceased serving as a custodial notary, the date on which the notary's records were transferred to an approved custodian and the name of the approved custodian, unless the retention period pursuant to 18 NCAC 07I .0212 has expired; or
 - (d) has ceased serving as a custodial notary because the period of retention for all records has expired;
- (5) certification that the information provided in the form is true and correct; and
- (6) the signature of the custodial notary and the date signed.

*History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a);
Eff. July 1, 2025.*

18 NCAC 07B .0429 is proposed for adoption as follows:

18 NCAC 07B .0429 TECHNOLOGY PROVIDERS OTHER THAN PLATFORMS VERIFYING CONTINUING COMPLIANCE

The form for technology providers other than platforms verifying their continuing compliance requires:

- (1) the name of the technology provider;
- (2) the electronic notary solution for which the provider has been approved;
- (3) the information required by 18 NCAC 07J .0211;
- (4) either a statement that the Department has been notified of changes as required in 18 NCAC 07J .0203 or inclusion of required notice of changes;
- (5) the signature of the compliance officer and the date signed;
- (6) certification that the information provided in the form is true and correct; and

- (7) the signature of a key individual employed by the technology provider who has the authority to bind the technology provider and the date signed.

*History Note: Authority G.S. 10B-4; 10B-126(d); 10B-134.21; 10B-134.23(b);
Eff. July 1, 2025.*

18 NCAC 07B .0430 is proposed for adoption as follows:

18 NCAC 07B .0430 TRADITIONAL SEAL MANUFACTURER OR VENDOR REGISTRATION WITH DEPARTMENT FORM

The form used by a manufacturer or vendor of traditional notary seals to register with the Department requires:

- (1) the information required by Rule .0402 of this Section, except that the residential address shall not be required for a key individual operating a sole proprietorship or a general partnership;
- (2) certification that the manufacturer or vendor:
- (a) manufactures or sells traditional notary seals to North Carolina notaries public; and
 - (b) complies with, and will continue to comply with, the requirements of:
 - (i) G.S. 10B-36 and 10B-37; and
 - (ii) the applicable rules in Subchapter 07G of this Chapter; and
 - (c) the manufacturer or vendor agrees that it will comply with the Rules in Subchapter 07G of this Chapter;
 - (d) the information provided on the form is true and correct; and
- (3) signature by an individual with the authority to bind the manufacturer or vendor with:
- (a) printed name and title of the individual; and
 - (b) the date signed.

*History Note: Authority G.S. 10B-4; 10B-36(e); 10B-125(b); 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07B .0431 is proposed for adoption as follows:

18 NCAC 07B .0431 FORM FOR NOTARY REPORTABLE INCIDENTS

The form for a notary public notifying the Department of reportable incidents pursuant to 18 NCAC 07D .0310 requires:

- (1) the notary's commission name and commission number;
- (2) how the notary discovered the reportable incident;
- (3) the date of the last notarization performed by the notary before the reportable incident occurred or was discovered;

- (4) the date on which the notary discovered the reportable incident regarding the notary's physical seal, electronic seal, signature, journal, notarial records, or communication technology recording;
- (5) the date on which the reportable incident occurred, if different from the date of discovery;
- (6) the date on which the notary reported to:
 - (i) the Register of Deeds, and the county of that Register of Deeds; and
 - (ii) law enforcement, if applicable, including the name of the law enforcement agency and a copy of the law enforcement report if available;
- (7) how the notary discovered the reportable incident;
- (8) any other information that the notary believes may be useful to the Department in assessing the reportable incident; and
- (9) the notary's signature and the date of the report to the Department.

History Note: Authority G.S. 10B-4; 10B-36; 10B-125(b); 10B-126(d); 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07B .0601 is proposed for amendment as follows:

18 NCAC 07B .0601 FACTORS FOR DISCIPLINARY ACTIONS

When determining whether and what disciplinary action to take, the Department shall consider:

- (1) the qualifications of the person;
- (2) the nature, number, timing, and severity of any acts, offenses, official misconduct, or crimes under consideration;
- (3) evidence pertaining to the honesty, credibility, truthfulness, and integrity of the person;
- (4) actual or potential harm;
- (5) the history of complaints against the person received by the Department;
- (6) the record of prior disciplinary actions against the person;
- (7) evidence in mitigation;
- (8) evidence in aggravation;
- (9) occupational, vocational, or professional license disciplinary record;
- (10) evidence of rehabilitation;
- (11) criminal history record;
- (12) information and reports received from other law enforcement agencies;
- (13) willfulness;
- (14) negligence;
- (15) the response of the person to any alleged violations; ~~and~~
- (16) whether the person self-reported a matter affecting qualification or the performance of an activity pursuant to ~~authorization.~~ authorization; and

(17) the purposes of the Notary Act as set forth in G.S. 10B-2.

*History Note: Authority G.S. 10B-4; 10B-14(f); 10B-60;
Eff. April 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest
Eff. December 6, 2016;
Transferred from 18 NCAC 07B .0901 Eff. June 1, 2023;
Amended Eff. July 1, 2025; July 1, 2024.*

18 NCAC 07B .0603 is proposed for amendment as follows:

18 NCAC 07B .0603 LEVELS OF ENFORCEMENT

Upon consideration of the evidence before it, the purposes and requirements of Chapter 10B of the General Statutes, and the rules in this Chapter, the Department may:

- (1) upon a finding of a violation of Chapter 10B of the General Statutes or the rules in this Chapter:
 - (a) issue a letter of caution to a person along with:
 - (i) a request for compliance; and
 - (ii) a statement that future noncompliance may lead to disciplinary action by the Department;
 - (b) issue a letter of warning to a person, with or without a corrective action plan. Note: A requirement for additional education is an example of a corrective action plan;
 - (c) suspend a person's authorization and bar the grant of an authorization for a specific period of time not to exceed 24 months, with or without a corrective action plan;
 - (d) issue a revocation of a person's authorization;
 - (e) issue a permanent revocation of a person's authorization;
 - (f) issue an administrative action restricting, for a specific period of time, an unauthorized person from submitting an application or from being becoming authorized; or
 - (g) issue an administrative action permanently restricting an unauthorized person from submitting an application or from becoming authorized; and
 - (h) issue a civil penalty pursuant to G.S. 10B-60(m) or 10B-134.23(c)(4); and
- (2) use the factors in Rule .0601 of this Section to take action to withdraw, stay, rescind, or expunge a disciplinary action.

Note: An application submitted in violation of an administrative action pursuant to Paragraphs (f) and (g) of this Rule shall be denied by the Department immediately upon identification of the applicant as being subject to the administrative action during the period of time applicable to the action. The application fee shall not be refunded.

History Note: Authority G.S. 10B-4; 10B-14(f); 10B-60; 10B-126; 10B-134.19; 10B-134.21;

Eff. April 1, 2007;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;

Transferred from 18 NCAC 07B .0903 Eff. June 1, 2023;

Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07B .0607 is proposed for amendment as follows:

18 NCAC 07B .0607 RESTRICTION

Upon a finding that the person has acted without being authorized by the Department, the Department may issue an administrative action to restrict that person from applying for authorization or from becoming authorized to:

- (1) perform a notarial act;
- (2) teach a notarial course;
- (3) offer an electronic ~~notarization system~~ notary solution to an electronic notary public; or
- (4) act as a ~~depository~~ depository or custodian.

History Note: Authority G.S. 10B-4; 10B-14(f); 10B-60; 10B-126; 10B-134.19; 10B-134.21;

Eff. April 1, 2007;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;

Amended Eff. February 1, 2021; October 1, 2019;

Transferred from 18 NCAC 07B .0907 Eff. June 1, 2023;

Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07B .0609 is proposed for adoption as follows:

18 NCAC 07B .0609 FAILURE TO REMIT FEES

(a) Failure of a platform provider to remit fees in accordance with G.S. 10B-134.19 and the rules in this Chapter shall be a basis for the Department to revoke a platform license.

(b) Revocation shall not preclude other disciplinary action or remedies available to the Department.

History Note: Authority G.S. 10B-4; 10B-134.19;

Eff. July 1, 2025.

18 NCAC 07B .0610 is proposed for adoption as follows:

18 NCAC 07B .0610 FAILURE TO VERIFY

A technology provider, or physical seal manufacturer or vendor shall be deemed to have knowingly created, manufactured or distributed a notary seal in violation of G.S. 10B-60(n) if the provider fails to comply with, as applicable:

- (1) 18 NCAC 07J .1202 for IPEN account creation;
- (2) 18 NCAC 07J .1410 for platform account creation for an electronic notary;
- (3) 18 NCAC 07J .1411 for platform account creation for a traditional notary;
- (4) 18 NCAC 07J .1203 for change of name on IPEN solution;
- (5) 18 NCAC 07J .1414 for change of name on platform for an electronic notary; and
- (6) 18 NCAC 07J .1415 for change of name on platform for a traditional notary;
- (7) 18 NCAC 07G.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0801 is proposed for adoption as follows:

SECTION .0800 – INVESTIGATIONS – ~~RESERVED~~ ACCOMMODATIONS FOR PRINCIPALS

18 NCAC 07B .0801 DEFINITIONS

For the purpose of this Chapter, the following definitions shall apply:

- (1) “Accessibility”, “accommodation”, and “reasonable accommodation” mean actions facilitating participation in a remote electronic notarial act by a remotely located principal with a vision, hearing, or speech impairment.
- (2) “Auxiliary aid” means a device or tool to enable an individual with vision, hearing, or speech impairments to communicate with a notary public and participate in the notarial transaction process but does not mean interpretation or transliteration or CART captioning. Note: Examples are screen reader software, magnification software, optical readers for an individual with low vision or a portable device that either writes or produces speech for an individual with speech impairment.
- (3) “CART” or “Communication Access Realtime Translation” means live translation of the spoken English language into English text by an individual certified as a captioner by the National Court Reporters Association and made available on screen with video to a remotely located principal with hearing loss.
- (4) “Interpreter” means an individual:
 - (a) with a full North Carolina interpreter license as defined at 21 NCAC 25 .0101(b)(7);
 - (b) interpreting, as defined at G.S. 90D-3(5), to a remotely located principal with vision, hearing, or speech impairments; and

- (c) who does not have a provisional interpreting license.
- (5) “Transliterater” means an individual:
 - (a) with a full North Carolina transliterater license as defined at 21 NCAC 25 .0101(b)(7);
 - (b) transliterating, as defined at G.S. 90D-3(9), to a remotely located principal with vision, hearing, or speech impairments; and
 - (c) who does not have a provisional transliterating license.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0802 is proposed for adoption as follows:

18 NCAC 07B .0802 PRINCIPAL SEEKING ACCOMMODATION

- (a) Before performing a notarial act, a notary public shall require a principal needing reasonable accommodation for vision, hearing, or speech impairments to describe:
 - (1) any auxiliary aid that the principal is using; and
 - (2) any interpreter, transliterater, or CART captioner that the principal is using.
- (b) If the notarial act is a remote notarial act, then the notary shall comply with Paragraph (a) of this rule before starting the communication technology recording.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0803 is proposed for adoption as follows:

18 NCAC 07B .0803 PRINCIPAL USE OF CERTAIN ACCOMMODATIONS PERMITTED

- A notary public may perform a notarization for a principal with a vision, hearing, or speech impairment whose communications are accurately conveyed by:
- (1) an auxiliary aid; or
 - (2) an interpreter, transliterater, or certified CART captioner.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23
Eff. July 1, 2025.

18 NCAC 07B .0804 is proposed for adoption as follows:

18 NCAC 07B .0804 PROHIBITION ON USE OF ACCOMMODATION AS INTERMEDIARY LANGUAGE

An interpreter, transliterator, or CART captioner shall not act as a bridge or relay interpreter to facilitate communication between a notary public and a principal who do not share a common language. This rule does not prohibit interpretation by an interpreter between a principal who uses American Sign Language and a notary who speaks English.

Note: An example of a bridge or relay interpretation between a notary and principal who do not share a common language would be an interpreter who translates a principal’s Chinese into English for a notary and the notary’s English into Chinese sign language for the principal with hearing impairment.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23
Eff. July 1, 2025.*

18 NCAC 07B .0805 is proposed for adoption as follows:

18 NCAC 07B .0805 PROHIBITION ON USE OF AUXILIARY AID FOR INTERMEDIARY LANGUAGE

A notary public shall not allow a principal to use an auxiliary aid to act as a bridge or to provide relay interpretation to facilitate communication between a notary public and a principal who do not share a common language.

Note: An example of an auxiliary aid acting as a bridge or relay between a principal with speech impairment whose language of communication is German and a notary who speaks English, and the aid translates the German into spoken English for the notary and the English into German for the principal.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23
Eff. July 1, 2025.*

18 NCAC 07B .0806 is proposed for adoption as follows:

18 NCAC 07B .0806 INTERPRETER OR TRANSLITERATOR INFORMATION

(a) Before performing a notarial act, a notary public shall require any interpreter or transliterator used by a principal to state:

- (1) the name of the interpreter or transliterator as it appears on the North Carolina license;
- (2) the license number; and
- (3) that the interpreter or transliterator has no financial interest in the notarial acts to be performed for the principal.

(b) If the notarial act is a remote notarial act, then the notary shall comply with Item (a) of this rule before starting the communication technology recording.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0807 is proposed for adoption as follows:

18 NCAC 07B .0807 CART CAPTIONER INFORMATION

(a) Before performing a notarial act, a notary public shall require any CART captioner used by a remotely located principal to state:

- (1) the CART captioner's name as it appears on the National Court Reporters Association certification;
- (2) the National Court Reporters Association identification number;
- (3) the CART captioner's status as a National Court Reporters Association-certified realtime captioner;
and
- (4) that the CART captioner has no financial interest in the notarial acts to be performed for the principal.

(b) If the notarial act is a remote notarial act, then the notary shall comply with Paragraph (a) of this rule before starting the communication technology recording.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0808 is proposed for adoption as follows:

18 NCAC 07B .0808 LIMITS ON ACCOMMODATIONS

A notary public shall not perform a notarial act if an individual identified pursuant to Rules .0806 and .0807 of this Section is:

- (1) not certified as a CART captioner;
- (2) not licensed as an interpreter or a transliterator; or
- (3) indicates or is known to the electronic notary to have a financial interest in the transactions that are subject to the notarial acts.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0809 is proposed for adoption as follows:

18 NCAC 07B .0809 JOURNAL ENTRY REQUIRED REGARDING ACCOMMODATIONS

A notary public shall document within each journal entry any accommodations used by a principal during the notarial transaction.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07B .0810 is proposed for adoption as follows:

18 NCAC 07B .0810 CONTENTS OF JOURNAL ENTRY REGARDING ACCOMMODATIONS

A notary public's journal entry pursuant to Rule .0809 of this Section shall include:

- (1) the type of auxiliary aid specified by the principal;
- (2) the information regarding a transliterator or interpreter required by Rule .0806 of this Section; and
- (3) the information regarding a CART captioner required by Rule .0807 of this Section.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07C .0801 is proposed for adoption as follows:

~~SECTION .0800 – ELECTRONIC NOTARY ACT INVESTIGATION AND ENFORCEMENT – RESERVED~~ TRADITIONAL NOTARY SEAL

18 NCAC 07C .0801 INITIAL SEAL

An applicant or appointee for an initial commission as a notary public shall not order or purchase a seal until the applicant or appointee has complied with the requirements of Section .0400 of this Subchapter.

History Note: Authority G.S. 10B-4;
Eff. July 1, 2025.

18 NCAC 07C .0802 is proposed for adoption as follows:

18 NCAC 07C .0802 SEAL IMAGE

A notary public's seal shall be deemed by the Department to comply with G.S. 10B-37 if it contains the words "State of North Carolina" in lieu of the designations in G.S. 10B-37(b)(4).

History Note: Authority G.S. 10B-4;
Eff. July 1, 2025.

18 NCAC 07C .0803 is proposed for adoption as follows:

18 NCAC 07C .0803 SEAL LIMITATION

A notary public's seal manufactured after the effective date of this Rule shall include no information or images other than those required or permitted by G.S. 10B-37 and Rule .0802 of this Section.

History Note: Authority G.S. 10B-4;
Eff. July 1, 2025.

18 NCAC 07C .0804 is proposed for adoption as follows:

18 NCAC 07C .0804 OBTAINING SEAL

A notary public who seeks to order or purchase a seal shall:

- (1) select a seal manufacturer or vendor from among the registered seal manufacturers and vendors listed on the Department's website; and
- (2) present the notary's commission certificate to the manufacturer or vendor.

History Note: Authority G.S. 10B-4; 10B-36;
Eff. July 1, 2025.

18 NCAC 07C .0805 is proposed for adoption as follows:

18 NCAC 07C .0805 IN-PERSON SEAL PURCHASE

If a notary public seeks to order or purchase a seal in person, the notary shall comply with Rule .0804 of this Section and:

- (1) be personally known to the manufacturer or vendor; or
- (2) present satisfactory evidence of identity to the manufacturer or vendor.

History Note: Authority G.S. 10B-4; 10B-36;
Eff. July 1, 2025.

18 NCAC 07D .0103 is proposed for repeal as follows:

18 NCAC 07D .0103 EXTENSION REQUEST TO DEPARTMENT

History Note: Authority G.S. 10B-4; 10B-126(f); 10B-134.17(c);
Eff. July 1, ~~2024~~ 2024;

Repealed Eff. July 1, 2025.

18 NCAC 07D .0104 is proposed for repeal as follows:

18 NCAC 07D .0104 DEPARTMENT RESPONSE TO EXTENSION REQUEST

History Note: Authority G.S. 10B-4; 10B-126(f); 10B-134.17(c);
Eff. July 1, ~~2024~~, 2024;
Repealed Eff. July 1, 2025.

18 NCAC 07D .0105 is proposed for adoption as follows:

18 NCAC 07D .0105 NOTARIZATION OF OPEN VEHICLE TITLE PROHIBITED

A notary public shall not notarize an assignment and warranty of title on the reverse of the certificate of title form approved by the Division of Motor Vehicles unless the following fields have been completed by an individual other than the notary:

- (1) the name and address of the buyer or transferee, except as provided in G.S. 20-72(b) for insurers and used motor vehicle dealers;
- (2) the required odometer reading disclosures;
- (3) the required disclosures about repairs, flood, and reconstruction or salvage;
- (4) the date the vehicle was delivered to the buyer or transferred;
- (5) the printed name of the seller; and
- (6) the signature of the seller.

History Note: Authority G.S. 10B-2; 10B-4; 20-72(b);
Eff. July 1, 2025.

18 NCAC 07D .0106 is proposed for adoption as follows:

18 NCAC 07D .0106 NO USE OF FOREIGN LANGUAGE TRANSLATORS

A notary public shall not allow a principal or remotely located principal to communicate with the notary by means of an individual converting one language to a different language, orally or in writing. An interpreter, transliterator, or CART captioner may facilitate communication between the notary and principal in compliance with 18 NCAC 07B Section .0800.

History Note: Authority G.S. 10B-2; 10B-4;
Eff. July 1, 2025.

18 NCAC 07D .0309 is proposed for adoption as follows:

18 NCAC 07D .0309 NOTIFICATION OF ELECTRONIC NOTARY SOLUTION SERIOUS SERVICE PERFORMANCE PROBLEMS

An electronic notary public shall use the form described in 18 NCAC 07B .0420 to notify the Department of any electronic notary solution dysfunction that the electronic notary considers:

- (1) to be persistent and disruptive; or
- (2) to indicate possible problems with security, privacy, or accuracy of credential verification or identity proofing.

Note: For purposes of this rule, persistent and disruptive dysfunctions include repeated abnormal system interruptions or stoppages, extremely slow system responses, and other unusual system interactions that delay or hinder the notarial act, as determined by the electronic notary.

History Note: Authority G.S. 10B-4; 10B-36;
Eff. July 1, 2025.

18 NCAC 07D .0310 is proposed for adoption as follows:

18 NCAC 07D .0310 NOTARY REPORT OF LOSS, THEFT AND SIMILAR ISSUES

Within 10 days of discovery, a notary public shall report to the Department using the form specified in 18 NCAC 07B .0431:

- (1) for a physical notary seal or journal, its unauthorized use, loss, theft, or vandalism;
- (2) for an electronic notary seal or signature, its unauthorized use, loss of use, compromise of security, unauthorized use, or having been rendered incapable of affixing a legible image; or
- (3) for an electronic notary journal, a communication technology recording, a session record, or other notarial records:
 - (a) the permanent loss of data, use, or access;
 - (b) compromise of security or unauthorized use; or
 - (c) theft.

History Note: Authority G.S. 10B-4; 10B-36; 10B-125(b); 10B-126(d); 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0401 is proposed for adoption as follows:

SECTION .0400 – GENERAL REQUIREMENTS FOR USE OF TECHNOLOGY

18 NCAC 07D .0401 ELECTRONIC NOTARY SEAL

An electronic notary public shall:

- (1) obtain an electronic notary seal only from an authorized IPEN solution or platform provider;
- (2) present the electronic notary’s commission certificate and registration certificate to the provider;
and
- (3) undergo credential analysis and identity proofing upon:
 - (a) account creation with the provider;
 - (b) presentation of:
 - (i) a commission certificate with a name, county, or expiration date change; or
 - (ii) a recommissioning certificate; and
 - (c) at any time requested by the provider.

History Note: Authority G.S. 10B-4; 10B-125(b);
Eff. July 1, 2025.

18 NCAC 07D .0402 is proposed for adoption as follows:

**18 NCAC 07D .0402 LICENSED PLATFORM USE FOR REMOTE OATHS AND AFFIRMATIONS
PURSUANT TO G.S. 10B-134.9(D)**

A notary public shall use a licensed platform for administration of oaths or affirmations pursuant to G.S. 10B-134.9(d)
and comply with the rules in Section .0500 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0403 is proposed for adoption as follows:

**18 NCAC 07D .0403 TRADITIONAL NOTARY PUBLIC USE OF APPROVED CUSTODIAN FOR
JOURNAL**

Any custodial services used by a traditional notary public shall have been approved by the Department.

History Note: Authority G.S. 10B-4; 10B-134.19; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0404 is proposed for adoption as follows:

**18 NCAC 07D .0404 NOTARY USE OF IDENTITY PROOFING AND CREDENTIAL ANALYSIS
INDEPENDENT OF PLATFORM**

A notary public electing to use identity proofing or credential analysis solutions when performing an in-person notarial act shall:

- (1) not use identity proofing and credential analysis as a replacement for the notary’s independent evaluation of whether satisfactory evidence of identification has been met;
- (2) use only approved identity proofing or credential analysis vendors and solutions; and
- (3) comply with G.S. 10B-134.11(a)(2).

*History Note: Authority G.S. 10B-4; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07D .0405 is proposed for adoption as follows:

**18 NCAC 07D .0405 APPROVED OR LICENSED TECHNOLOGY TO BE USED BY AN
ELECTRONIC NOTARY PUBLIC**

An electronic notary public shall use only authorized technology providers when performing electronic notarial acts and remote electronic notarial acts.

*History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07D .0406 is proposed for adoption as follows:

18 NCAC 07D .0406 NOTIFICATION TO TECHNOLOGY PROVIDER OF CHANGES

Prior to conducting any electronic notarial act, a notary public shall have provided the notary’s technology providers with a copy of any new commission certificate reflecting changes to the notary’s:

- (1) commission name;
- (2) commission county; or
- (3) commission expiration date.

*History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07D .0501 is proposed for adoption as follows:

SECTION .0500 – REQUIREMENTS FOR GS 10B-134.9(D) OATHS AND AFFIRMATIONS

**18 NCAC 07D .0501 NOTARY ADMINISTRATION OF REMOTE OATH OR AFFIRMATION
PURSUANT TO G.S. 10B-134.9(D)**

A notary public administering a remote oath or affirmation pursuant to G.S. 10B-134.9(d) shall comply with:

- (1) the rules in this Section of this Subchapter; and
- (2) the rules in 18 NCAC 07H, with the exception of sections .0500 and .0600.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0502 is proposed for adoption as follows:

18 NCAC 07D .0502 DECLARATION OF JUDICIAL OFFICIAL OR OFFICER OF THE COURT

A notary public may administer a remote oath or affirmation pursuant to G.S. 10B-134.9(d) only if:

- (1) the notarial act is requested by a judicial officer or an officer of the court; and
- (2) the requesting officer declares to the notary prior to the administration of the remote oath or affirmation that:
 - (a) the oath or affirmation is one that will be performed in the course of a judicial action or proceeding; and
 - (b) the oath or affirmation will not involve the notarization of a document.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0503 is proposed for adoption as follows:

18 NCAC 07D .0503 PLATFORM CONFIRMATION OF NOTARY STATUS

Before completing the platform account registration process in order to administer an oath or affirmation pursuant to G.S. 10B-134.9(d), a notary public shall:

- (1) undergo credential analysis and identity proofing by the platform upon initial account creation;
- (2) present the notary's commission certificate and registration certificate, if applicable, to the platform;
and
- (3) if the notary will use the platform's journal, inform the platform and provide the platform with the name of the notary's approved custodian.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0504 is proposed for adoption as follows:

18 NCAC 07D .0504 TRAINING REQUIREMENT FOR NOTARY PUBLIC ADMINISTERING A G.S. 10B-134.9(D) OATH OR AFFIRMATION

A notary public shall not administer a remote oath or affirmation pursuant to G.S. 10B-134.9(d) unless the notary has completed the Department’s educational module specific to G.S. 10B-134.9(d).

Note: The educational module may be taken separately or as part of the electronic notary public course.

*History Note: Authority G.S. 10B-4; 10B-134.21;
 Eff. July 1, 2025.*

18 NCAC 07D .0505 is proposed for adoption as follows:

18 NCAC 07D .0505 DOCUMENTATION OF REMOTE OATH OR AFFIRMATION PURSUANT TO G.S. 10B-134.9(D)

An entry shall be made in a notarial journal for each administration of a remote oath or affirmation pursuant to G.S. 10B-134.9(a) by any notary public who keeps a journal.

*History Note: Authority G.S. 10B-4; 10B-134.15(b); 10B-134.21;
 Eff. July 1, 2025.*

18 NCAC 07D .0506 is proposed for adoption as follows:

18 NCAC 07D .0506 JOURNAL ENTRY

An entry in a notarial journal pursuant to Rule .0505 of this Section shall include the name of the judicial official or officer of the court who made the declaration pursuant to Rule .0502 of this Section.

*History Note: Authority G.S. 10B-4; 10B-134.15(b); 10B-134.21;
 Eff. July 1, 2025.*

18 NCAC 07D .0507 is proposed for adoption as follows:

18 NCAC 07D .0507 RECORDING COUNT OF NOTARIAL ACTS

Before ending a session in which remote oaths or affirmations are administered pursuant to G.S. 10B-134.9(d), a notary public shall:

- (1) count the number of notarial acts performed; and

(2) enter the number of notarial acts in the field designated by the platform for that purpose.

*History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07D .0601 is proposed for adoption as follows:

SECTION .0600 – ACCESS TO NOTARIAL RECORDS

18 NCAC 07D .0601 DISCLOSURE OF CONFIDENTIAL INFORMATION

A notary public may disclose confidential information or provide a copy of a journal, a journal entry, or notarial records only pursuant to:

- (1) G.S. 10B-20(p)(1)-(5);
- (2) a waiver of information confidentiality that complies with Rule .0602 of this Section;
- (3) a request that complies with Rule .0603 of this Section; or
- (4) a request for an electronic journal by an employer of the electronic notary public that is made pursuant to G.S. 10B-134.15(c) and Rules .0603 and .0604 of this Section.

*History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a); 10B-134.15(d); 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07D .0602 is proposed for adoption as follows:

18 NCAC 07D .0602 RELEASE OF CONFIDENTIAL INFORMATION ON REQUEST OF PRINCIPALS

A notary public may release confidential information learned from the principals or records generated during a notarial transaction only if:

- (1) all principals who participated in the notarial transaction agree;
- (2) the request is provided to the notary in writing with a statement signed and dated by each principal with:
 - (a) the printed name of each principal who participated in the transaction;
 - (b) the date of the transaction;
 - (c) a description of the types of notarial acts performed by the notary during the transaction;
 - (d) a description of the confidential information sought; and
 - (e) an instruction stating to whom the confidential information may be delivered; and
- (3) the principal provides any other information that the notary may request for purposes of determining the information to be provided or to whom it is to be provided.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a); 10B-134.15(d); 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07D .0603 is proposed for adoption as follows:

18 NCAC 07D .0603 EMPLOYER REQUEST FOR JOURNAL ENTRIES

An electronic notary may provide the electronic notary's former employer with a copy of work-related entries in the electronic notary's electronic journal upon:

- (1) leaving employment with the employer; and
- (2) request of the employer.

Note: For purposes of this rule, "work-related" means electronic notarial acts and remote electronic notarial acts performed for the electronic notary public's employer in the course of the electronic notary's employment.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126(a); 10B-134.15(a);
Eff. July 1, 2025.

18 NCAC 07D .0604 is proposed for adoption as follows:

18 NCAC 07D .0604 ADDITIONAL ELECTRONIC NOTARY OBLIGATIONS UPON EMPLOYER REQUEST

An electronic notary public shall not provide the electronic notary's work-related electronic journal entries to the electronic notary's employer unless the notary retains a backup copy as required by G.S. 10B-134.15(c).

History Note: Authority G.S. 10B-4; 10B-38; 10B-126(a); 10B-134.15(a);
Eff. July 1, 2025.

18 NCAC 07D .0605 is proposed for adoption as follows:

18 NCAC 07D .0605 SUPPLEMENTAL ENTRIES RE ACCESS TO JOURNALS

Upon releasing confidential information pursuant to this Section of this Subchapter and unless directed otherwise by court order or the Department, a notary public or electronic notary public shall make a supplemental entry in:

- (1) the electronic notary's electronic journal; or
- (2) the traditional notary's journal, if any.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126(a); 10B-134.15(a);
Eff. July 1, 2025.

18 NCAC 07D .0606 is proposed for adoption as follows:

18 NCAC 07D .0606 CONTENTS OF SUPPLEMENTAL ENTRY RE RELEASE OF CONFIDENTIAL INFORMATION

A notary public or an electronic notary public who makes a supplemental journal entry pursuant to Rule .0606 of this Section shall include the following in the entry:

- (1) the name of the requestor;
- (2) the dates of the request and the notary's response to the request;
- (3) the information requested; and
- (4) any other information that the notary determines necessary to include.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126(a); 10B-134.15(a);
Eff. July 1, 2025.

18 NCAC 07F .0102 is proposed for amendment as follows:

18 NCAC 07F .0102 DEFINITIONS

For purposes of Article 2 of Chapter 10B of the General ~~Statutes and this Subchapter:~~ Statutes, this Subchapter, and Subchapters 07H and 07J of this Chapter:

- ~~(1) "Approved vendor for electronic notarizations," "approved electronic notary solution provider," or "AVEN" means a person approved by the Department to provide an electronic notarization system pursuant to Article 2 of Chapter 10B of the General Statutes.~~
- ~~(2) "Biometric authentication" means proving the identity of a user by requiring verification of the user's identity through technologies that require measurement and analysis of one or more human physiological or behavioral characteristics of the user in order to access and use an electronic notarization system. Note: Biometric authentication technologies include fingerprint scanning devices, retinal scanning devices, and handwriting analysis devices.~~
- ~~(3) "Electronic notarization system" means a set of applications, programs, hardware, software, or technology approved by the Department that is designed to enable a notary to perform electronic or remote electronic notarizations.~~
- ~~(4)~~(1) "Electronic notary applicant" means a commissioned North Carolina notary public who applies to be registered or reregistered as an electronic notary public.
- ~~(5)~~(2) "Electronic notary's electronic signature" means:
 - (a) an electronic image of the handwritten signature of the electronic notary public in the name of the notary as it appears on the notary's commission; and
 - (b) the ~~AVEN's or other~~ technology provider's security features attached to the signature in ~~Sub-Item (5)(a)~~ Sub-Item (2)(a) of this Rule.

- ~~(6)~~(3) "Independently verifiable" means capable of government or third-party authentication of a notarial act, an electronic notary's identity and current status with the Department.
- ~~(7)~~(4) "In the presence of the electronic notary at the time of notarization" means that an individual and an electronic notary public are in close physical proximity to one another without using technology to establish personal appearance.
- ~~(8)~~ "Password authentication" means requiring the user to enter a secret word, phrase, or symbol set in order to access and use an electronic notary solution.
- ~~(9)~~ "Token authentication" means requiring use of a physical device in addition to a password or personal identification number ("PIN" number) in order to access and use an electronic notary solution. Note: Physical devices used in token authentication technologies include magnetic cards or "smart cards" and Universal Serial Bus (USB) memory sticks or "USB keys."

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.21;
 Eff. January 1, 2007;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest
 Eff. December 6, 2016;
 Transferred from 18 NCAC 07C .0102 Eff. June 1, 2023;
 Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07F .0103 is proposed for amendment as follows:

18 NCAC 07F .0103 ELECTRONIC NOTARIES PERFORMING REMOTE ELECTRONIC NOTARIAL ACTS

An electronic notary public shall not perform a remote electronic notarial act until the electronic notary has complied with the requirements ~~of this Chapter~~ of:

- (1) this Subchapter; and
- (2) 18 NCAC 07D Section .0400 and 18 NCAC 07H.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125; 10B-126; 10B-134.15; 10B-134.17; 10B-134.21;
 Eff. July 1, 2024, 2024;
 Amended Eff. July 1, 2025.

18 NCAC 07F .0202 is proposed for adoption as follows:

18 NCAC 07F .0202 CURRENT PERSONAL COPY OF MANUAL

An electronic notary applicant shall possess a current and personal copy of the North Carolina notary manual applicable to electronic notaries.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07F .0303 is proposed for amendment as follows:

18 NCAC 07F .0303 ELECTRONIC NOTARY COURSE

Before performing a remote electronic notarization, electronic notaries public registered prior to July 1, ~~2024~~, 2025, shall either:

- (1) successfully complete a remote electronic notarization course ~~module~~; module taught by a certified notary instructor or designee of the Department; or
- (2) successfully complete an electronic notary ~~class including training on remote electronic notarization~~; course pursuant to Rule .0302 of this Section.

History Note: Authority G.S. 10B-4; 10B-14; 10B-125; 10B-126; 10B-134.21;
Eff. March 1, 2025; 2025;
Amended Eff. July 1, 2025.

18 NCAC 07F .0601 is proposed for amendment as follows:

18 NCAC 07F .0601 NOTICE TO DEPARTMENT OF TECHNOLOGY PROVIDER

An electronic notary public shall use the form described in 18 NCAC 07B .0405 to provide notice to the Department of all technology providers proposed to be used:

- (1) to affix the electronic notary's electronic ~~signature~~; signature and
- ~~(2) to affix the electronic notary's seal;~~
- ~~(3)~~(2) as the means to create and maintain the electronic notary's electronic journal and a backup copy of the journal;
- ~~(4)~~(3) as the custodian of the electronic notary's journal;
- ~~(5)~~(4) as the platform that the electronic notary will use if the notary intends to perform remote electronic notarial acts; and
- (5) for identity proofing and credential analysis technologies not otherwise associated with platforms disclosed in Item (4) of this Rule.

History Note: Authority G.S. 10B-4; 10B-125; 10B-126; 10B-127; 10B-134.15; 10B-134.17; 10B-134.21;
Eff. March 1, 2025; 2025;
Amended Eff. July 1, 2025.

18 NCAC 07F .0704 is proposed for amendment as follows:

18 NCAC 07F .0704 ELECTRONIC SIGNATURE

The electronic notary ~~public's~~ public shall apply the electronic notary's electronic signature ~~shall~~ to the document being notarized and upon commitment the signature shall be permanently affixed to the document.

- (1) ~~be applied to and logically associated electronically with the notarized document; and~~
- (2) ~~link the data in such a manner that any subsequent alterations are observable through visual examination of:~~
 - (a) ~~the underlying document; or~~
 - (b) ~~the electronic notary certificate.~~

*History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(d); 10B-127; 10B-134.21;
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0401(d) Eff. June 1, 2023;
Amended Eff. July 1, 2025; July 1, 2024.*

18 NCAC 07F .0710 is proposed for adoption as follows:

18 NCAC 07F .0710 PLACEMENT OF ELECTRONIC SIGNATURE

Before committal, the electronic notary shall move or delete and reaffix an electronic signature to ensure that no portion of the electronic record is illegible or obscured.

*History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a); 10B-134.21;
Eff. July 1, 2025.*

18 NCAC 07F .0804 is proposed for amendment as follows:

18 NCAC 07F .0804 ATTRIBUTES OF ELECTRONIC SEAL

The electronic notary ~~seal shall~~ public shall apply the electronic notary's electronic seal to the document being notarized and upon commitment the seal shall be permanently affixed to the document.

- (1) ~~be attached to, or logically associated with, a notarized document; and~~
- (2) ~~link the data in such a manner that any subsequent alterations are observable through visual examination of:~~
 - (a) ~~the underlying document; or~~
 - (b) ~~the electronic notary certificate.~~

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(d); 10B-127; 10B-134.21;
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0402(d) Eff. June 1, 2023;
Amended Eff. July 1, 2025; July 1, 2024.

18 NCAC 07F .0807 is proposed for amendment as follows:

18 NCAC 07F .0807 CONTENTS OF ELECTRONIC NOTARY SEAL

~~An electronic notary public shall ensure that the electronic notary's electronic notary seal has:~~ When the electronic record to which the electronic notary's electronic seal is affixed is printed on an 8 and one-half by 11 sheet of paper, the notary's seal shall have:

- (1) a visible border:
 - (a) having a physical appearance of the seal that replicates the appearance of an inked seal on paper;
 - (b) with the size and shape required by G.S. 10B-37(c); and
 - (c) that includes an identifier in no less than an 8 point type assigned by the Department to the producer of the electronic seal; and
- (2) ~~inside its border:~~ border with a minimum 8 point type:
 - (a) the information required by G.S. 10B-117(1), (2), and (4);
 - (b) the words:
 - (i) "State of North Carolina";
 - (ii) "North Carolina"; or
 - (iii) the abbreviation "N.C.";
 - (c) the name of the county of commission with either:
 - (i) the word "County"; or
 - (ii) the abbreviation "Co."; and
 - (d) the expiration date of the electronic notary's commission.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(d);
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0402(g) Eff. June 1, 2023;
Amended Eff. July 1, 2025; March 1, 2025.

18 NCAC 07F .0814 is proposed for amendment as follows:

18 NCAC 07F .0814 ~~COMMITMENT~~ FINALIZATION OF NOTARIAL SESSION

After an electronic notary public has complied with the requirements of Sections .0700 and .0800 of this Subchapter with regard to review of signatures and seals after affixing them, the electronic notary shall:

- (1) ensure that the required journal entry has been made; ~~and~~
- (2) ~~then~~ commit:
 - (a) the electronic notarial signature;
 - (b) the electronic notarial seal; and
 - (c) the content of the journal ~~entry~~; entry; and
- (3) apply the notary's digital certificate to the electronic record to which the notary has applied his or her electronic notary seal and signature.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(d); 10B-134.5(b); 10B-134.21;
Eff. July 1, 2024, 2024;
Amended Eff. July 1, 2025.

18 NCAC 07F .0815 is proposed for adoption as follows:

18 NCAC 07F .0815 PLACEMENT OF ELECTRONIC SEAL

Before committal, the electronic notary shall move or delete and reaffix an electronic seal to ensure that no portion of the electronic record is illegible or obscured.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a); 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07F .0816 is proposed for adoption as follows:

18 NCAC 07F .0816 APPLICATION OF ELECTRONIC NOTARY'S DIGITAL CERTIFICATE

An electronic notary public shall apply, or allow the platform or IPEN provider to apply, the electronic notary's digital certificate to a document after the electronic notary's electronic signature and seal has been:

- (1) affixed; and
- (2) reviewed.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126(a); 10B-134.5(b); 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07F .1003 is proposed for amendment as follows:

18 NCAC 07F .1003 RETENTION OF ELECTRONIC JOURNAL

An electronic notary public shall maintain a copy of the electronic notary's electronic journal and the backup copy of the journal for at least 10 years after the last notarial act.

History Note: *Authority G.S. 10B-4; 10B-126(d); 10B-134.15; 10B-134.17; 10B-134.21;*
 Eff. July 1, ~~2024~~, 2024;
 Amended Eff. July 1, 2025.

18 NCAC 07F .1004 is proposed for amendment as follows:

18 NCAC 07F .1004 NOTARY CREDENTIAL SHARING FORBIDDEN

An electronic notary public shall not share the means of authentication that the electronic notary uses to access an electronic ~~notarization system~~ notary solution with anyone.

History Note: *Authority G.S. 10B-4; 10B-126; 10B-134.15; 10B-134.17; 10B-134.21;*
 Eff. July 1, ~~2024~~, 2024;
 Amended Eff. July 1, 2025.

18 NCAC 07G .0101 is proposed for adoption as follows:

SUBCHAPTER 07G - NOTARY SEAL MANUFACTURERS AND VENDORS

18 NCAC 07G .0101 SCOPE

The rules in this Subchapter govern notary public seals made, offered for sale, sold, or delivered for use by North Carolina notaries public by:

- (1) manufacturers of physical notary public seals;
- (2) vendors of physical notary public seals; and
- (3) platforms and IPENs providing electronic notary public seals.

History Note: *Authority G.S. 10B-4; 10B-36; 10B-125(b);*
 Eff. July 1, 2025.

18 NCAC 07G .0102 is proposed for adoption as follows:

18 NCAC 07G .0102 PHYSICAL SEAL REQUIREMENTS

A manufacturer or vendor of physical notary public seals shall not offer, sell, or deliver a physical notary public seal to a North Carolina notary public unless the seal complies with G.S. 10B-36 and 10B-37.

*History Note: Authority G.S. 10B-4; 10B-36; 10B-125(b);
Eff. July 1, 2025.*

18 NCAC 07G .0103 is proposed for adoption as follows:

18 NCAC 07G .0103 ELECTRONIC NOTARY SEAL REQUIREMENTS

A platform or IPEN provider shall not provide an electronic notary seal unless the seal complies with:

- (1) G.S. 10B-117(1)-(4);
- (2) 18 NCAC 07F .0804-.0807 and .0810; and
- (3) 18 NCAC 07J .2600.

*History Note: Authority G.S. 10B-4; 10B-125(b);
Eff. July 1, 2025.*

18 NCAC 07G .0104 is proposed for adoption as follows:

18 NCAC 07G .0104 REQUIREMENTS FOR SALE OF PHYSICAL SEAL TO NORTH CAROLINA NOTARY

A manufacturer or vendor shall comply with the requirements in Rule .0105 before offering for sale, selling, mailing, or delivering a physical notary public seal to an individual claiming to be a North Carolina notary.

*History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.*

18 NCAC 07G .0105 is proposed for adoption as follows:

18 NCAC 07G .0105 IDENTIFICATION OF NOTARY PUBLIC APPEARING IN PERSON

A manufacturer or vendor shall not provide a physical notary seal to an individual claiming to be a North Carolina notary public appearing in person for the purchase unless:

- (1) the individual is personally known to the manufacturer or vendor and the individual's information matches the information on the notary commission certificate presented; or
- (2) the individual:
 - (a) presents documents qualifying as satisfactory evidence of identity as defined in G.S. 10B-3(22);

(b) the manufacturer compares the face and name of the individual to information on the document; and

(c) the manufacturer or vendor confirms the identity of the individual.

*History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.*

18 NCAC 07G .0106 is proposed for adoption as follows:

18 NCAC 07G .0106 NOTARY COMMISSION CERTIFICATE RECEIPT BY MANUFACTURER OR VENDOR

A manufacturer or vendor shall require any individual claiming to be a North Carolina notary public purchasing or ordering a physical notary public seal to present:

(1) for an in-person purchase, the original notary commission certificate from the Department; and

(2) for an order by mail or delivery service, an exact, legible copy of the original commission certificate from the Department.

*History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.*

18 NCAC 07G .0107 is proposed for adoption as follows:

18 NCAC 07G .0107 MAKING AND RETAINING COPY OF NOTARY COMMISSION CERTIFICATE

A manufacturer or vendor shall retain a copy of the commission certificate in its records for 10 years.

*History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.*

18 NCAC 07G .0108 is proposed for adoption as follows:

18 NCAC 07G .0108 CONFIRMATION OF NOTARY'S ACTIVE STATUS WITH THE DEPARTMENT

A manufacturer or vendor shall not deliver a physical seal to an individual claiming to be a North Carolina notary public until the manufacturer has:

(1) obtained the commission number from the notarial commission certificate;

(2) entered the commission number found on the notarial commission certificate into the search field in the Department's online notary confirmation tool;

- (3) compared the information returned by the Department's online notary confirmation tool to the information on the commission certificate to determine if there is an exact match between the commission certificate, the individual's order form, and the information returned by the search for:
- (a) the name of the notary;
 - (b) the commission expiration date; and
 - (c) the county of the notary's commission; and
- (4) confirmed that the notary is in active status with the Department.

History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.

18 NCAC 07G .0109 is proposed for adoption as follows:

18 NCAC 07G .0109 REGISTRATION WITH THE DEPARTMENT

Prior to making or selling a physical seal to a North Carolina notary, the manufacturer or vendor shall register with the Department by electronically submitting the form specified in 18 NCAC 07B .0429.

History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.

18 NCAC 07G .0110 is proposed for adoption as follows:

18 NCAC 07G .0110 ANNUAL REGISTRATION UPDATE

On or before the first day of July each year, a manufacturer or vendor shall electronically update its registration with the Department by electronically submitting the form specified in 18 NCAC 07B .0429 to inform the Department of any changes since its registration in the prior year.

History Note: Authority G.S. 10B-4; 10B-36(e)(2);
Eff. July 1, 2025.

18 NCAC 07H .0101 is proposed for adoption as follows:

SUBCHAPTER 07H - REMOTE ELECTRONIC NOTARIAL ACT AND IPEN REQUIREMENTS
SECTION .0100 - GENERAL PROVISIONS

18 NCAC 07H .0101 SCOPE

(a) The rules in this Subchapter implement Part 4A, Remote Electronic Notarization of Article 2, Electronic Notary Act, of Chapter 10B of the General Statutes.

(b) The rules in this Subchapter are adopted pursuant to the provisions of Subchapter I of Chapter 96 of Title 15 of the United States Code, Electronic Records and Signatures in Commerce.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07H .0102 is proposed for adoption as follows:

18 NCAC 07H .0102 REQUIREMENTS FOR ELECTRONIC NOTARIES PERFORMING REMOTE ELECTRONIC NOTARIAL ACTS

Before performing a remote electronic notarial act, other than one subject to 18 NCAC 07D .0500, an electronic notary public shall comply with the applicable rules in:

- (1) this Subchapter; and
- (2) Subchapter 07F of this Chapter.

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07H .0103 is proposed for adoption as follows:

18 NCAC 07H .0103 DEFINITIONS

For purposes of this Subchapter:

- (1) “Active duty” means that term as it is defined in 10 U.S.C. 101(d)(1).
- (2) “Armed Forces” means that term as it is defined in 18 NCAC 07K .0101(2).
- (3) “Credential” or “credentials” means a document presented as satisfactory evidence of identity pursuant to G.S. 10B-3(22)(a) and G.S. 10B-134.11(a)(2)(a).
- (4) “Dependent” means that term as it is defined in 37 U.S.C. 401.
- (5) “Military orders” means that term as it is defined in 50 U.S.C. 3955(i)(1), except that it shall not include orders for separation or retirement.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0104 is proposed for adoption as follows:

18 NCAC 07H .0104 PROHIBITIONS ON TYPES OF REMOTE ELECTRONIC NOTARIAL ACTS

A notary public shall not perform a remote electronic notarial act if the act:

- (1) is prohibited by G.S. 10B-20, 10B-22, 10B-23, 10B-134.3, or 163-231; or
- (2) is an inventory of a safe deposit box as described in G.S. 53C-6-13(a).

History Note: Authority G.S. 10B-4; 10B-134.21;
Eff. July 1, 2025.

18 NCAC 07H .0201 is proposed for adoption as follows:

SECTION .0200 – ESTABLISHING LOCATION OF PRINCIPALS

18 NCAC 07H .0201 TIMING OF VERIFICATION OF LOCATION

An electronic notary public shall:

- (1) as a preliminary matter, verify the location of a principal seeking a remote electronic notarization as required by G.S. 10B-134.9(a)(6); and
- (2) state how the location was verified during the recorded recitation required by Rule .0607 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0202 is proposed for adoption as follows:

18 NCAC 07H .0202 MEANS OF DETERMINING PRINCIPAL LOCATION

An electronic notary public shall determine the location of a principal seeking a remote electronic notarization by:

- (1) geolocation if the principal is using a GPS-enabled device; or
- (2) self-attestation if the principal is not using a GPS-enabled device.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0203 is proposed for adoption as follows:

18 NCAC 07H .0203 PROCEDURE WHEN PRINCIPAL USES GPS-ENABLED DEVICE

Unless an exception in Rule .0204 of this Section applies, an electronic notary public shall terminate a notarial transaction if:

- (1) the platform indicates that the principal has a GPS-enabled device that:
 - (a) has the GPS location feature disabled; and
 - (b) the principal declines to enable the GPS-location feature of the device; or
- (2) the principal is not in a permitted location pursuant to G.S. 10B-134.1(10).

History Note: Authority G.S. 10B-4; 10B-134.9; 0B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0204 is proposed for adoption as follows:

18 NCAC 07H .0204 EXCEPTION TO RULE .0203

An electronic notary public shall not terminate a notarial transaction pursuant to Rule .0203 of this Section if the principal seeking a remote electronic notarization makes a self-attestation pursuant to Rules .0206 or .0207 of this Section.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0205 is proposed for adoption as follows:

18 NCAC 07H .0205 CONTENTS OF ATTESTATION OF LOCATION

A principal's self-attestation of current location shall consist of:

- (1) the name of the principal who is identified to the electronic notary public;
- (2) a statement that the principal is currently located:
 - (a) inside the United States including:
 - (i) the name of the state, territory, or federally recognized tribal area in which the principal is located; and
 - (ii) the name of the county, parish, or equivalent governmental subdivision; or
 - (b) outside the United States in a United States embassy, consulate or diplomatic mission including:
 - (i) whether the principal is located in a U.S. embassy, a U.S. consulate, or a U.S. diplomatic mission;
 - (ii) the name of the country and city in which the embassy, consulate, or diplomatic mission is located; and
 - (iii) the name of the U.S. embassy, consulate, or diplomatic mission; or
- (3) the information required by Rule .0206 of this Section for a principal on a United States military installation or vessel outside the United States.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0206 is proposed for adoption as follows:

**18 NCAC 07H .0206 CONTENTS OF ATTESTATION OF LOCATION ON U.S. MILITARY
INSTALLATION OR VESSEL**

Self-attestation by a principal of current location on a United States military installation or vessel outside the United States shall consist of:

- (1) the name of the principal making the attestation to the electronic notary public;
- (2) whether the principal is:
 - (a) a member of the Armed Forces of the United States; or
 - (b) a dependent of a member of the Armed Forces, and the name of the member;
- (3) the branch of the Armed Forces in which the member serves;
- (4) that the principal is physically located outside the United States on:
 - (a) a U.S. military installation; or
 - (b) a U.S. military vessel; and
- (5) unless Rule .0207 of this Section applies, the name of:
 - (a) the installation and the country in which the installation is located; or
 - (b) the name of the vessel; and
- (6) that the principal is on the named installation or vessel pursuant to military orders assigning the member to active duty for more than 120 days.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0207 is proposed for adoption as follows:

18 NCAC 07H .0207 EXCEPTION TO RULE .0206

If a principal cannot provide the information in Rule .0206 of this Section for reasons of U.S. national security, the principal may attest that:

- (1) the principal is on a U.S. military installation or vessel pursuant to military orders assigning the member to active duty for more than 120 days; and
- (2) the name and location cannot be divulged for reasons of national security.

History Note: Authority G.S. 10B-4; 10B-134.9; 10B-134.17; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07H .0208 is proposed for adoption as follows:

18 NCAC 07H .0208 ADDITIONAL REQUIREMENTS FOR WRITTEN ATTESTATION OF LOCATION

A remotely located principal may self-attest to the principal's location by using communication technology to deliver a writing to the electronic notary public that conforms to Rules .0205 or .0206 of this Section and, in addition, contains:

- (1) the printed name of the principal;
- (2) the signature of the principal; and
- (3) the date on which the principal signed the self-attestation, which shall be the same date as the remote electronic notarization.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0301 is proposed for adoption as follows:

SECTION .0300 – IDENTITY VERIFICATION

18 NCAC 07H .0301 VERIFICATION OF IDENTITY BY ELECTRONIC NOTARY PUBLIC

Prior to performing a remote electronic notarial act, an electronic notary public shall identify the remotely located principal by:

- (1) personal knowledge as defined in G.S. 10B-3(17); or
- (2) reviewing to the satisfaction of the notary:
 - (a) all results, both separately and together, provided by the technology provider for:
 - (i) credential analysis; and
 - (ii) identity proofing;
 - (b) comparing the face of the remotely located principal to the image on the credential uploaded for credential analysis; and
 - (c) any additional information or identification credentials that the notary deems necessary to confirm the identity of the remotely located principal.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0302 is proposed for adoption as follows:

18 NCAC 07H .0302 CREDIBLE WITNESS PROHIBITED FOR IDENTITY VERIFICATION OF REMOTE PRINCIPALS

For purposes of identifying a remotely located principal, an electronic notary public shall not rely upon a credible witness.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07H .0303 is proposed for adoption as follows:

18 NCAC 07H .0303 NUMBER OF TIMES IDENTITY VERIFICATION PROCESSES USED

For a remote electronic notarization, an electronic notary public shall:

- (1) determine whether the identity verification processes required by G.S. 10B-134.11 shall be used more than once; and
- (2) follow the procedures required by G.S. 10B-134.11 and the rules in this Section of this Subchapter each time the identity verification processes are used.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07H .0304 is proposed for adoption as follows:

18 NCAC 07H .0304 NOTARY REQUEST FOR ADDITIONAL INFORMATION

If an electronic notary public determines that additional information or identification credentials are necessary to confirm the identity of the remotely located principal, then the electronic notary shall:

- (1) require the principal to:
 - (a) provide additional information; or
 - (b) undergo additional credential analysis by the technology provider; or
- (2) cancel the remote notarial transaction if:
 - (a) the principal refuses to provide additional information or undergo additional credential analysis; or
 - (b) the notary decides the principal's identity has not been verified.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07H .0401 is proposed for adoption as follows:

SECTION .0400 – CONTINUOUS COMMUNICATION BETWEEN NOTARY AND PRINCIPAL

18 NCAC 07H .0401 UNOBSTRUCTED VIEW

Except as noted in Rule .0406 of this Section, an electronic notary public shall not perform a remote electronic notarization unless, in the judgment of the electronic notary, there is a clear and unobstructed view of:

- (1) all principals;
- (2) any interpreter or transliterator who is interpreting for a principal; and
- (3) the text that a CART captioner is providing to the principal.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23
Eff. July 1, 2025.

18 NCAC 07H .0402 is proposed for adoption as follows:

18 NCAC 07H .0402 MODIFIED IMAGE OF PRINCIPAL

An electronic notary public shall not perform a remote electronic notarization if, in the judgment of the electronic notary, the live on-screen image of the remotely located principal:

- (1) appears to be:
 - (a) altered;
 - (b) filtered; or
 - (c) simulated; or
- (2) does not accurately reflect a real-time two-way communication between the electronic notary and the principal.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0403 is proposed for adoption as follows:

18 NCAC 07H .0403 AUDIO IMPAIRMENT

An electronic notary public shall not perform a remote electronic notarization if the communication technology does not provide sound clear enough that each participant can hear and understand all other participants. For purposes of this rule, “sound clear enough” shall be as determined by the electronic notary.

History Note: Authority G.S. 10B-4; 10B-134.5; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07H .0404 is proposed for adoption as follows:

18 NCAC 07H .0404 MODIFIED VOICE OF PRINCIPAL

Except as permitted in Rule .0405 of this Section, an electronic notary public shall not perform a remote electronic notarization if, in the judgment of the electronic notary, the voice of the remotely located principal:

- (1) appears to be:
 - (a) altered;
 - (b) filtered; or
 - (c) simulated; or
- (2) does not accurately reflect a live two-way communication between the electronic notary and the remotely located principal.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0405 is proposed for adoption as follows:

18 NCAC 07H .0405 EXCEPTION TO RULE .0404

An electronic notary public may perform a remote electronic notarization if the electronic notary concludes that any alteration, filtration, simulation, or asynchronicity of a principal's voice is otherwise in compliance with the accommodation rules in 18 NCAC 07B .0800.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0406 is proposed for adoption as follows:

18 NCAC 07H .0406 PRINCIPAL DISAPPEARANCE OR EXIT

An electronic notary public shall terminate the remote electronic notarial transaction process if the remotely located principal:

- (1) disappears from the electronic notary's view for an excessive amount of time, as determined by the electronic notary; or
- (2) exits the session.

Note: Examples of disappearing would be moving out of view or turning off the camera.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0501 is proposed for adoption as follows:

SECTION .0500 – ELECTRONIC NOTARY PUBLIC STORAGE OF RECORDS

18 NCAC 07H .0501 DESIGNATION OF APPROVED CUSTODIAN

An electronic notary public shall designate an approved custodian to maintain the electronic notary’s records, using the form described 18 NCAC 07B .0405.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0502 is proposed for adoption as follows:

18 NCAC 07H .0502 CUSTODIAN DESIGNATION LIMITATION

An electronic notary public shall designate as custodian only an approved custodian that has agreed to provide custodial services to the electronic notary.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0503 is proposed for adoption as follows:

18 NCAC 07H .0503 NOTICE TO DEPARTMENT OF CUSTODIAN

An electronic notary public shall use the form in 18 NCAC 07B .0405 to notify the Department of:

- (1) designation of an approved custodian for the electronic notary’s records;
- (2) designation of the electronic notary as a custodial notary; or
- (3) designation of a new approved custodian upon a change in custodians.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0504 is proposed for adoption as follows:

18 NCAC 07H .0504 SELF-DESIGNATION AS CUSTODIAL NOTARY

An electronic notary public may be designated as custodian of the electronic notary's own electronic journal consisting solely of IPEN acts only if the electronic notary:

- (1) lists the electronic notary's name as custodial notary on the form described in 18 NCAC 07B .0405;
- (2) agrees to comply with the rules of this Subchapter applicable to custodial notaries; and
- (3) complies with the requirements of the custodial notary rules in 18 NCAC 07J Section 2200.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0505 is proposed for adoption as follows:

18 NCAC 07H .0505 CUSTODIAL NOTARY PROHIBITIONS

A custodial notary shall not serve as the custodian for:

- (1) the records of another notary public; or
- (2) the records of a remote electronic notarial act.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0506 is proposed for adoption as follows:

18 NCAC 07H .0506 ELECTRONIC NOTARY NOTICE TO PLATFORM OR IPEN PROVIDER OF CUSTODIAN

An electronic notary public shall notify the electronic notary's designated platform or IPEN provider of the name of the electronic notary's custodian:

- (1) before the first use of the platform or IPEN solution; and
- (2) before a change in custodian that will require transfer of records to a different custodian.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0507 is proposed for adoption as follows:

18 NCAC 07H .0507 STORING RECORDS WITH APPROVED DEPOSITORIES AND CUSTODIANS

An electronic notary public shall ensure that the electronic notary's session records are accessible to, and readable by, the electronic notary while stored with:

- (1) an approved depository; and

- (2) an approved custodian:
- (a) for 10 years from the date of the journal entry for a notarial act; or
 - (b) for any period of more than 10 years during which:
 - (i) there is a litigation hold or other order requiring retention for more than 10 years;
or
 - (ii) the electronic notary public arranges for the custodian to keep the records more than 10 years.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0508 is proposed for adoption as follows:

18 NCAC 07H .0508 TRANSFER OF RECORDS FOR WHICH RETENTION PERIOD HAS NOT ENDED

If the retention period for an electronic notary public's records has not expired, an electronic notary public shall:

- (1) transfer the records only to another approved custodian; and
- (2) notify the Department of the change in custodian as required by Rule .0503 of this Section.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0509 is proposed for adoption as follows:

18 NCAC 07H .0509 RECORDS FOR WHICH RETENTION PERIOD HAS ENDED

An electronic notary public shall, with regard to session records for which the retention period has expired:

- (1) direct the custodian to destroy the records;
- (2) if a custodial notary, destroy the records; or
- (3) retain or arrange for further retention of the records.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0510 is proposed for adoption as follows:

18 NCAC 07H .0510 NO DELETION OF SESSION RECORDS PRIOR TO EXPIRATION OF RETENTION PERIOD

An electronic notary public shall not direct a custodian to delete a session record or its backup prior to the end of the retention period established by Rule .0507 of this Section.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0511 is proposed for adoption as follows:

18 NCAC 07H .0511 CUSTODIAL NOTARY LIMITATIONS ON DELETION OF SESSION RECORD

A custodial notary shall not delete a session record or its backup prior to the end of the retention period established by Rule .0507 of this Section.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0512 is proposed for adoption as follows:

18 NCAC 07H .0512 ELECTRONIC NOTARY DIRECTION OF DELETION OF RECORDS AFTER TRANSFER TO CUSTODIAN

After a session record has been transferred to a custodian, then an electronic notary public may direct a depository to delete any of the notary's journal convenience copies.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0601 is proposed for adoption as follows:

SECTION .0600 – COMMUNICATION TECHNOLOGY RECORDINGS

18 NCAC 07H .0601 SCOPE

The rules in this Section of this Subchapter shall apply to communication technology recordings and shall not apply to recordings of remote oaths or affirmations administered pursuant to G.S. 10B-134.9(d).

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0602 is proposed for adoption as follows:

18 NCAC 07H .0602 PRINCIPAL REFUSAL TO BE RECORDED

If a remotely located principal refuses to be recorded, the electronic notary public shall cancel the remote electronic notarization.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
 Eff. July 1, 2025.*

18 NCAC 07H .0603 is proposed for adoption as follows:

18 NCAC 07H .0603 REQUESTS FOR ATTORNEY

If a remotely located principal requests the presence of an attorney, the electronic notary public shall not proceed with the remote electronic notarial transaction process unless:

- (1) the attorney is present:
 - (a) physically in the same place with the principal; or
 - (b) through the communication technology; or
- (2) the principal withdraws the request.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
 Eff. July 1, 2025.*

18 NCAC 07H .0604 is proposed for adoption as follows:

18 NCAC 07H .0604 RECORDING SHALL START BEFORE NOTARIAL ACT IS PERFORMED

An electronic notary public shall begin the communication technology recording before performing a remote electronic notarial act.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
 Eff. July 1, 2025.*

18 NCAC 07H .0605 is proposed for adoption as follows:

18 NCAC 07H .0605 RECORDING SHALL BE CONTINUOUS

Once an electronic notary public starts a communication technology recording, the electronic notary shall not end the recording until:

- (1) all remote electronic notarial acts comprising the remote electronic notarial transaction have been completed; or

(2) the remote electronic notarial transaction has been canceled.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07H .0606 is proposed for adoption as follows:

18 NCAC 07H .0606 COMMUNICATION RECORDING PREFACE TO REMOTE ELECTRONIC NOTARIAL ACT

When an electronic notary public starts a communication technology recording of a remote electronic notarial act, the electronic notary shall:

- (1) state the information required by Rule .0607 of this Section; and
- (2) direct the remotely located principal to provide the information required by Rule .0608 of this Section.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07H .0607 is proposed for adoption as follows:

18 NCAC 07H .0607 ELECTRONIC NOTARY RECITATION FOR COMMUNICATION TECHNOLOGY RECORDING

Immediately after initiating a communication technology recording, an electronic notary public shall state:

- (1) the electronic notary's commission name;
- (2) that the electronic notary is then located in the State of North Carolina and the county in which the electronic notary is located;
- (3) the names of all participants;
- (4) that all individuals present have been informed that the remote notarization will be recorded;
- (5) the date on which the notarial act is being performed;
- (6) whether the remote electronic notarial act will be performed on an electronic record;
- (7) how the remotely located principal for whom the notarial act is being performed has been identified;
and
- (8) whether the principal's location was verified by geolocation or self-attestation.

*History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07H .0608 is proposed for adoption as follows:

**18 NCAC 07H .0608 REMOTELY LOCATED PRINCIPAL'S DECLARATION FOR
COMMUNICATION TECHNOLOGY RECORDING**

Prior to performing any remote electronic notarial act, the electronic notary public shall direct each remotely located principal to state:

- (1) the remotely located principal's name as it appears on the credential presented by the principal for credential analysis;
- (2) that the principal agrees to be recorded;
- (3) if an attorney is not present, that the principal was informed of the right to have an attorney present and declined;
- (4) the documents being signed or a description of the general nature of the transaction;
- (5) the principal's location; and
- (6) if the principal's location is not established by geolocation, the principal's self-attestation establishing location pursuant to Section .0200 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0609 is proposed for adoption as follows:

18 NCAC 07H .0609 IDENTIFYING INDIVIDUALS IN SAME LOCATION AS PRINCIPAL

While recording the remote electronic notarial transaction process, an electronic notary public shall direct the remotely located principal to:

- (1) state the names of any individuals who are then physically present at the same place as the principal, if known; and
- (2) inform the electronic notary if any other individuals become physically present with the principal during the notarial session and their names, if known.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0610 is proposed for adoption as follows:

**18 NCAC 07H .0610 STATEMENT FROM NON-PRINCIPALS APPEARING VIA COMMUNICATION
TECHNOLOGY**

After the communication technology recording begins, the electronic notary public shall direct all participants who are not principals to state:

- (1) their names; and
- (2) their role, if any, with respect to the notarial act.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0611 is proposed for adoption as follows:

18 NCAC 07H .0611 ACKNOWLEDGMENT – ADDITIONAL REQUIREMENTS FOR COMMUNICATION TECHNOLOGY RECORDING

An electronic notary public performing a remote acknowledgment for a remotely located principal shall require the principal to acknowledge during the communication technology recording:

- (1) that the signature on the record being notarized is that of the principal; and
- (2) the date the principal signed the record being notarized.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23
Eff. July 1, 2025.

18 NCAC 07H .0612 is proposed for adoption as follows:

18 NCAC 07H .0612 COMMUNICATION TECHNOLOGY RECORDING OWNERSHIP

A communication technology recording shall be the private property of the electronic notary public.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07H .0701 is proposed for adoption as follows:

SECTION .0700 SECURITY AND CONFIDENTIALITY REQUIREMENTS

18 NCAC 07H .0701 ACCESS TO COMMUNICATION TECHNOLOGY RECORDINGS

An electronic notary public shall not permit access to communication technology recordings by any person unless allowed pursuant to G.S. 10B-20(p) and the rules in this Chapter.

History Note: Authority G.S. 10B-4; 10B-134.15; 10B-134.17; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07I .0102 is proposed for amendment as follows:

18 NCAC 07I – ~~JOURNAL REQUIREMENTS~~ JOURNALS

SECTION .0100 – GENERAL

18 NCAC 07I .0102 DEFINITIONS

The definitions in this Rule apply to this Subchapter:

- (1) "Canceled act" means an instance where a notary public or a principal begins the notarial transaction process and halts it for any reason. Note: An example of a canceled act would be one where the notary is not able to establish the identity of the signer as required by G.S. 10B-20.
- (2) "~~Journal~~" means ~~a record of notarial acts that is created and maintained by a notary public in compliance with Chapter 10B of the General Statutes and the rules in this Subchapter.~~
- ~~(3)~~—"Mode of notarial act" means a traditional notarization, an electronic notarization, or a remote electronic notarization.
- ~~(4)~~(3) "Supplemental information" means information that a notary public enters into a journal:
 - (a) as a separate entry that is not for a notarial act;
 - (b) that relates to a prior notarial act recorded in the journal; and
 - (c) that may be appended to the prior notarial act entry in the electronic journal.

Note: An entry six months after the initial committed entry stating that the notary public received a subpoena for that initial committed journal entry is an example of supplemental information.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. July 1, 2024, 2024;
Amended Eff. July 1, 2025.

18 NCAC 07I .0106 is proposed for amendment as follows:

18 NCAC 07I .0106 EXCEPTIONS TO RULE .0105

Exceptions to Rule .0105 of this Section shall be limited ~~to~~ to entries in traditional journals consisting of the following:

- (1) ~~the signatures of~~ by the principals;
- (2) ~~the signatures of~~ by credible witnesses; or
- (3) ~~the signatures of~~ by the designees of the principals pursuant to G.S. 10B-20(e).

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. July 1, 2024, 2024;

Amended Eff. July 1, 2025.

18 NCAC 07I .0207 is proposed for amendment as follows:

18 NCAC 07I .0207 ACTS INCLUDED IN JOURNAL

~~The journal shall contain entries by the notary public that document all notarial acts completed by the notary or canceled.~~ A notary public or an electronic notary public shall make a separate entry for each notarial act performed or canceled in the notary's journal, if any, or electronic notary's journal.

*History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. July 1, ~~2024~~, 2024;
Amended Eff. July 1, 2025.*

18 NCAC 07I .0302 is proposed for amendment as follows:

18 NCAC 07I .0302 CONTENTS OF JOURNAL

Notaries public shall enter the following information in the journal for each notarial act:

- (1) the date and time at the notary's location that the notarial act occurs;
- (2) the name of each principal and designee, if any;
- (3) the type and mode of notarial act performed;
- (4) the title of the document notarized, if any;
- (5) how the identity of each principal was determined;
- (6) if satisfactory evidence of the principal's identity was presented:
 - (a) the type of satisfactory evidence;
 - (b) the addresses of each ~~principal~~ principal:
 - (i) as shown on any documents used as satisfactory evidence; and
 - (ii) the address as stated by the principal if the principal indicates the address on the documents used as satisfactory evidence is incorrect;
 - (c) where the satisfactory evidence was based on the sworn statement of a credible witness in a traditional or in-person electronic notarial act:
 - (i) the name of the credible witness;
 - (ii) the contact information of the credible witness;
 - (iii) the signature of the credible witness in a traditional notary's journal; or
 - (iv) the signature of the credible witness has been added to the electronic journal by the notary;
- (7) the signature of each principal ~~in a tangible journal or the notary's addition of each principal's acknowledged signature to an electronic journal;~~ as specified in Rule .0404 of this Subchapter;

- (8) the address of the designee, if any;
- (9) information required by 18 NCAC 07K .0203 for any fees charged; and
- (10) designation of each notarial act as employer-related or non-employer related if the journal includes both categories of notarial ~~acts.~~ acts and which employer the notarial act is related to, if any.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
 Eff. July 1, ~~2024,~~ 2024;
Amended Eff. July 1, 2025.

18 NCAC 07I .0303 is proposed for amendment as follows:

18 NCAC 07I .0303 ADDITIONAL JOURNAL CONTENTS FOR REMOTE ELECTRONIC NOTARIZATIONS

In addition to the requirements of Rule .0302 of this Section, for each remote electronic notarial act completed, an electronic notary public shall enter in the journal:

- (1) the locations of the principals and notary at the time of the act;
- (2) the method of establishing the location of the remotely located principals;
- (3) the names of any individuals ~~who are physically present at the same place as the remotely located principals; identified pursuant to 18 NCAC 07H .0609 and .0610;~~ and
- (4) ~~the names of any individuals in addition to the principals and those listed in Item (3) of this Rule who are present remotely using the communication technology during the notarial transaction process.~~ the total number of notarial acts.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
 Eff. March 1, ~~2025,~~ 2025;
Amended Eff. July 1, 2025.

18 NCAC 07I .0308 is proposed for amendment as follows:

18 NCAC 07I .0308 JOURNAL SUPPLEMENTS

A notary public may add supplemental information to a journal if:

- (1) the notary ~~does not in any way change the original committed journal entry; and~~
- ~~(2)~~ specifies the journal entry to which the supplemental information ~~relates.~~ relates;
- (2) for an electronic notarial act or a remote electronic notarial act, the notary includes the applicable journal entry or session record identifier; and
- (3) the notary enters the names of the principals in the notarial session to whom the supplemental entry relates.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. July 1, ~~2024~~, 2024;
Amended Eff. July 1, 2025.

18 NCAC 07I .0404 is proposed for amendment as follows:

18 NCAC 07I .0404 INCLUDING SIGNATURES IN JOURNAL

A notary public who maintains an electronic journal shall ensure that:

- (1) the principals acknowledge that their electronic signatures have been included in the journal as signed on the documents in the transaction;
- (2) with regard to designees signing on behalf of a principal:
 - (a) the designee signs the principal's name ~~pursuant to G.S. 10B-20(e) as signed~~ on the documents being notarized pursuant to G.S. 10B-20(e), and the notary then includes the signature in the journal; and
 - (b) the designee signs his or her own name on the electronic notary solution for capture and the notary then includes the signature of the designee in the journal; and
- (3) the credible witness signs his or her own name on the electronic notary solution for capture and the notary then includes the signature of the credible witness in the journal.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. July 1, ~~2024~~, 2024;
Amended Eff. July 1, 2025.

18 NCAC 07I .0406 is proposed for amendment as follows:

18 NCAC 07I .0406 PRE-FILLED DATA TO BE CONFIRMED BY NOTARY PUBLIC

A notary public may enter the information listed in Rules .0302 and .0303 of this Subchapter in an electronic journal by:

- (1) reviewing each individual item of information offered as an option or by pre-filling; and
- (2) confirming that offered information is accurate by selecting:
 - (a) the offered information; or
 - (b) the accurate item from among other options ~~offered~~, offered; or
- (3) correcting an incorrect item.

History Note: Authority G.S. 10B-4; 10B-38; 10B-126; 10B-134.15; 10B-134.21;
Eff. March 1, ~~2025~~, 2025;

Amended Eff. July 1, 2025.

18 NCAC 07J .0101 is proposed for adoption as follows:

SECTION .0100 – GENERAL RULES

18 NCAC 07J .0101 DEFINITIONS

For purposes of this Subchapter:

- (1) “Break in service” means:
 - (a) the technology provider is subject to a disciplinary action by the Department that:
 - (i) restricts its services;
 - (ii) suspends its services; or
 - (iii) revokes its authorization;
 - (b) the technology provider has been denied a subsequent license or approval by the Department;
 - (c) the technology provider has not submitted an application to the Department for a renewed license or approval; or
 - (d) the technology provider has discontinued providing its authorized solution in North Carolina or support for the solution for any reason.
- (2) “Communication technology recording” means a data file that contains the audio, video, and written communication that occurred during a remote notarial transaction process via the communication technology in a platform.
- (3) “Custodial notary” means an electronic notary public who designates himself or herself as a custodian of the electronic notary’s own session records pursuant to 18 NCAC 07H .0504.
- (4) “Cybersecurity incident” means an occurrence defined in G.S. 143B-1320(a)(4a).
- (5) “Depository” means a storage services solution for electronic journal entries and communication technology recordings, if applicable, that is offered by an IPEN solution provider or a platform provider.
- (6) “Electronic notary solution” means any of the following products or services:
 - (a) an IPEN solution that is:
 - (i) available from an existing technology provider subject to Section .1100 of this Subchapter; or
 - (ii) subject to approval pursuant to Rule .1301 of this Subchapter;
 - (b) a platform as defined in G.S. 10B-134.1(6) and subject to approval pursuant to Rule .1501 of this Subchapter;
 - (c) an identity proofing solution as defined in G.S. 10B-134.1(5) and subject to approval pursuant to Rule .1901 of this Subchapter;

- (d) a credential analysis solution as defined in G.S. 10B-134.1(3) and subject to approval pursuant to Rule .1701 of this Subchapter; and
- (e) custodial services as defined in G.S. 10B-134.1(3a) and subject to approval pursuant to Rule .2101 of this Subchapter.
- (7) “Encryption” shall have the meaning in G.S. 75-61(8).
- (8) “Existing technology providers” means IPEN solution providers approved before the effective date of these rules.
- (9) “Geolocation” means technology that identifies the location of remotely located principals connecting to a platform using a GPS-enabled device with an accuracy rate of within 100 feet.
- (10) “Journal convenience copy” means a collection of a notary’s electronic journal entries hosted by a depository in an electronic format for use by the notary as a convenience and that may be retained or deleted by the depository at the notary’s discretion. The journal convenience copy is not a session record.
- (11) “Key individuals” are those individuals who are identified by a platform provider or an IPEN solution provider as meeting the criteria identified in G.S. 10B-134.19(c)(2).
- (12) “Protocols” or “Department’s Scientific, Architectural, and Engineering Protocols for Technology Providers” means a document prepared by the Department and made available to the public that contains scientific, architectural, and engineering standards, forms, or procedures related to information technology for technology providers.
- (13) “Session record” means the electronic journal entries for a notarial session preserved in PDF/A format in accordance with the Department’s protocols, including any embedded communication technology recording and associated metadata.
- (14) “Supporting vendor” means a person that provides an electronic service to a technology provider:
(a) upon which the provider relies to provide the notarial service for which the provider seeks or has approval or licensure; and
(b) that must be reported to the Department pursuant to Rule .0410 of this Subchapter.
- (15) “Transferee” means a custodian that receives a session record from a depository or a custodian.
- (16) “Transferor” means a depository or a custodian that transfers a session record to a custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0102 is proposed for adoption as follows:

18 NCAC 07J .0102 TECHNOLOGY PROVIDERS LICENSED OR APPROVED

Only authorized technology providers may offer electronic notary solutions to any North Carolina notary public.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0103 is proposed for adoption as follows:

18 NCAC 07J .0103 MULTIPLE SERVICES

A technology provider that seeks or has authorization for a product or service that offers one or more types of electronic notary solution shall comply with the rules in this Subchapter applicable to each solution.

Note: An IPEN solution that includes credential analysis and identity proofing services is an example of a solution to which this rule applies.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0104 is proposed for adoption as follows:

18 NCAC 07J .0104 NO TRANSFER OF LICENSE OR APPROVAL

A technology provider shall not assign, transfer, or sell its authorization to offer an electronic notary solution in North Carolina.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0105 is proposed for adoption as follows:

18 NCAC 07J .0105 PERMISSIBLE PROVIDER DESIGNATIONS

An authorized technology provider may use the applicable following designations for its authorized electronic notary solutions only during the period that each approval or license is effective:

- (1) “approved North Carolina in-person electronic notary solution” or “approved North Carolina IPEN solution”;
- (2) “licensed North Carolina electronic notary platform”;
- (3) “approved North Carolina identity proofing solution”;
- (4) “approved North Carolina credential analysis solution”; and

(5) “approved North Carolina custodial services solution.”

Note: An authorized technology provider may use “NC” or “N.C.” as well as “North Carolina.”

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0106 is proposed for adoption as follows:

18 NCAC 07J .0106 AUTHORIZATION DOES NOT MEAN ENDORSEMENT

A technology provider shall not state or imply that the Department endorses the services of the technology provider.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0107 is proposed for adoption as follows:

18 NCAC 07J .0107 TIMELY RESPONSE REQUIRED

A technology provider or applicant shall respond to any inquiry from the Department in the manner and within the time set by the Department. Extensions may be requested and granted pursuant to 18 NCAC 07B .0313 and .0314, respectively.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0108 is proposed for adoption as follows:

18 NCAC 07J .0108 SUBPOENA OR WARRANT

Within three business days after receiving a subpoena, warrant, or court order that is related to a notary public’s records, a technology provider shall notify the notary in writing of the subpoena, warrant, or court order, unless;

- (1) the subpoena, warrant, or court order is issued in relation to an investigation by the Department pursuant to G.S. 10B-60; or
- (2) notice is otherwise prohibited by law.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0109 is proposed for adoption as follows:

18 NCAC 07J .0109 SERVICE LEVEL AGREEMENT

A technology provider's service level agreement shall include:

- (1) guaranteed uptime for the electronic notary solution; and
- (2) terms and conditions for crediting or reimbursing a notary public for unscheduled service outages.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0110 is proposed for adoption as follows:

18 NCAC 07J .0110 FEES FOR REGISTRATION

A platform or IPEN solution shall prorate fees due from an electronic notary public to align the usage and cost of their services with the registration term of the electronic notary, as established in G.S. 10B-106(b).

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0111 is proposed for adoption as follows:

18 NCAC 07J .0111 ADVERTISING RESTRICTION

A technology provider shall not display any of the following on screen during an electronic notarial transaction:

- (1) its own logos or those of another;
- (2) its own symbols or those of another;
- (3) advertising for itself or others; or
- (4) pre-recorded audio or video.

Note: Display of text from chats between transaction participants or text from a CART captioner shall not be affected by this rule.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0112 is proposed for adoption as follows:

18 NCAC 07J .0112 COMPLIANCE WITH TECHNOLOGY PROVIDER PROTOCOLS REQUIRED

Technology providers shall comply with applicable provisions of the Department’s Scientific, Architectural, and Engineering Protocols for Technology Providers. The protocols may be accessed on the Department’s website at no cost.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0113 is proposed for adoption as follows:

18 NCAC 07J .0113 IMPLEMENTATION OF POLICIES AND PLANS

A technology provider shall implement all plans and policies required by the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0114 is proposed for adoption as follows:

18 NCAC 07J .0114 CONTINUITY OF SERVICE

In the event of a break in service, a technology provider shall, pursuant to Rule .0207 of this Subchapter, ensure that notaries public using its authorized services:

- (1) have continuous access to the notaries’ records; and
- (2) have assistance, if requested by a notary public, to transfer the notary’s records to an approved custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0115 is proposed for adoption as follows:

18 NCAC 07J .0115 WHEN PROVIDER MAY USE INFORMATION

Facilitating a notarial transaction and mitigating fraud are the only reasons that a technology provider or its supporting vendor may use, disclose, or permit disclosure of information that has not been anonymized and that is specific to:

- (1) the contents of a notarial transaction;
- (2) a transaction participant;
- (3) credentials of a notarial transaction participant; or
- (4) a notarial transaction record or electronic record.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0116 is proposed for adoption as follows:

18 NCAC 07J .0116 WHEN PROVIDER MAY RETAIN BACKUP COPIES OF DATA

A technology provider may retain backup copies of data associated with the notarial transaction process longer than the retention period otherwise specified in this Subchapter only if:

- (1) the backup copies of the data are retained offline;
- (2) the provider has a backup retention policy; and
- (3) the offline backup copies are deleted in accordance with the provider's backup policy.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0117 is proposed for adoption as follows:

18 NCAC 07J .0117 DATA DELETION REQUIREMENT

A technology provider shall delete data upon the finalization of the notarial session record if there is no retention requirement in the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0201 is proposed for amendment as follows:

**SECTION .0200 – ~~PROCESS FOR APPROVAL FOR AVEN TECHNOLOGY TO CONDUCT~~
ELECTRONIC NOTARIZATION NOTICES REQUIRED FROM TECHNOLOGY PROVIDERS**

**18 NCAC 07J .0201 ~~ELECTRONIC NOTARY SOLUTION PROVIDER APPLICATION NOTICE OF~~
MATERIAL CHANGE TO ELECTRONIC NOTARY SOLUTION**

~~(a) Any person or entity applying to the Department for designation as an approved electronic notary solution provider must complete and submit an application to the Department for review and approval before authorizing any electronic notary seals or electronic signatures to North Carolina electronic notaries. The application shall include the following information:~~

- ~~(1) Hardware and software specifications and requirements for the provider's electronic notarization system;~~
- ~~(2) A description of the type(s) of technology used in the provider's electronic notarization system, and~~
- ~~(3) A demonstration of how the technology is used to perform an electronic notarization.~~

~~(b) An electronic notary solution provider may appeal the Department's rejection of the provider's application for designation as an approved electronic notary solution provider as provided under Article 3 of Chapter 150B of the General Statutes.~~

After authorization by the Department and before implementation, a technology provider shall notify the Department of any material change to its authorized electronic notary solution.

Note: For purposes of this Section, a material change is one affecting the electronic notary solution's core:

- (1) functionality;
- (2) security; or
- (3) reliability.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126(d); 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; 47 16.5; 47 16.7; 147 36; 15 USC 7002;
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0501 Eff. June 1, ~~2023.~~ 2023;
Amended Eff. July 1, 2025.*

18 NCAC 07J .0202 is proposed for adoption as follows:

**18 NCAC 07J .0202 IMPLEMENTATION OF MATERIAL CHANGES PROHIBITED PENDING
DEPARTMENTAL APPROVAL**

No material change to an electronic notary solution shall be implemented and offered to a notary public until the technology provider:

- (1) files written notice pursuant to the rules in this Section;
- (2) complies with Section .0500 of this Subchapter; and
- (3) receives approval from the Department.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0203 is proposed for adoption as follows:

18 NCAC 07J .0203 NOTICE TO DEPARTMENT OF BUSINESS INFORMATION CHANGES

After authorization by the Department, a technology provider shall provide written notice to the Department:

- (1) within five business days of changes to:
 - (a) the information required by 18 NCAC 07B .0402(2);
 - (b) the information required by 18 NCAC 07B .0402(3);
 - (c) conversion to an alternate type of business entity;
 - (d) conversion to a foreign entity;
 - (e) failure to remain active and current with the Department’s Business Registration Division;
 - (f) merger with another business entity;
 - (g) filing of a bankruptcy petition; or
 - (h) a change in the technology provider’s controlling ownership; and
- (2) within 45 calendar days of changes to any other information on the provider’s application for authorization.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0204 is proposed for adoption as follows:

18 NCAC 07J .0204 CONTENTS OF NOTICE OF CHANGES

A technology provider’s written notice pursuant to Rule .0203 of this Section shall state:

- (1) what has changed; and
- (2) the correct information after the change.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0205 is proposed for adoption as follows:

18 NCAC 07J .0205 NOTICE TO NOTARIES OF PLANNED SERVICE OUTAGES

A technology provider shall provide at least five calendar days' notice to its subscribers and electronic notaries public that its systems will be unavailable due to planned maintenance, and shall include:

- (1) the date that the service will begin to be unavailable; and
- (2) the approximate amount of time during which the service is expected to be unavailable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0206 is proposed for adoption as follows:

18 NCAC 07J .0206 SERVICE OUTAGE NOTIFICATION TO THE DEPARTMENT

As specified in the Department's authorization letter, a technology provider shall notify the Department immediately of any service outage or lack of accessibility to notaries public:

- (1) when the outage exceeds four consecutive hours; and
- (2) when service to notaries is restored.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0207 is proposed for adoption as follows:

18 NCAC 07J .0207 NOTICE TO NOTARIES OF BREAK IN SERVICE

A technology provider subject to Rule .0114 of this Subchapter shall notify notaries public using its authorized services within three days of the occurrence of a break in service and include:

- (1) the reason for the break in service;
- (2) whether the break in service is for a specific time period or is permanent;
- (3) whether the notaries:
 - (a) can continue using the provider's authorized services;

- (i) with limits and what the limits are; or
- (ii) without limits; or
- (b) cannot continue to use the provider's authorized services and, where the provider is a depository or custodian:
 - (i) will have 60 days to transfer any records maintained by the provider to a custodian; and
 - (ii) that the notaries may continue to access the records maintained by the provider until they are transferred; and
- (4) any actions the provider requires the notaries to take.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0208 is proposed for adoption as follows:

18 NCAC 07J .0208 NOTICE OF REPORTABLE INCIDENT

Within 72 hours of discovery of a reportable incident, a technology provider shall notify the Department.

Note: For purposes of the rules in this Section of this Subchapter, a reportable incident is one that involves:

- (1) a technology provider's electronic notary solution, a notary public's records, a notary's seal or signature, or a principal's records or information;
- (2) any of the following affecting data or access:
 - (a) unauthorized access, use, alteration, or disclosure;
 - (b) theft;
 - (c) loss; or
 - (d) compromise; or
- (3) a cybersecurity incident.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0209 is proposed for adoption as follows:

18 NCAC 07J .0209 CONTENT OF NOTIFICATION TO DEPARTMENT

Notification to the Department pursuant to Rule .0208 of this Section shall include the following information when available:

- (1) the names of the affected notaries public including their notary commission numbers;
- (2) a description of the affected records, data, or solution;
- (3) a copy of any law enforcement report made in connection with the incident;
- (4) a description of how the reportable incident occurred;
- (5) the duration of the reportable incident;
- (6) a description of actions taken to prevent or mitigate a similar reportable incident;
- (7) when the reportable incident occurred; and
- (8) a point of contact for the technology provider who has knowledge of:
 - (a) the reportable incident;
 - (b) actions taken to address the reportable incident; and
 - (c) actions to be taken to address the reportable incident.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0210 is proposed for adoption as follows:

18 NCAC 07J .0210 NOTIFICATION TO OTHER PARTIES

Technology providers shall notify affected persons of a reportable incident as required by applicable law, rule, or regulation. Note: The Identity Theft Protection Act, Chapter 75, Article 2A of the General Statutes is an example of an applicable law.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0211 is proposed for adoption as follows:

18 NCAC 07J .0211 VERIFICATION OF CONTINUING COMPLIANCE

A technology provider shall:

- (1) annually verify its compliance with the rules in this Subchapter for each approved electronic notary solution, by submitting the form in 18 NCAC 07B .0429; or
- (2) submit notice that it will not apply again pursuant to Rule .0215 of this Subchapter.

Item (1) of this Rule shall not apply to licensed platforms.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0212 is proposed for adoption as follows:

18 NCAC 07J .0212 TIMING OF VERIFICATION OF CONTINUING COMPLIANCE

A technology provider's verification of compliance pursuant to Rule .0211 of this Section shall be submitted to the Department:

- (1) no more than 60 days before the expiration of its approval; or
- (2) as part of its application for a subsequent approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0213 is proposed for adoption as follows:

18 NCAC 07J .0213 DUE DILIGENCE

A technology provider's verification pursuant to Rule .0211 of this Section shall be made only after the exercise of due diligence to enable the signer to comply with Rule .0214 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0214 is proposed for adoption as follows:

18 NCAC 07J .0214 SIGNER OF VERIFICATION

A technology provider's verification pursuant to Rule .0211 of this Section shall be signed by a person with the authority to bind the provider and who certifies under penalty of perjury that the information on the form is true and correct to the best of the signer's knowledge and belief.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0215 is proposed for adoption as follows:

18 NCAC 07J .0215 NOTICE TO DEPARTMENT THAT PROVIDER WILL NOT RENEW

At least 90 days before its existing authorization expires, a technology provider shall notify the Department in writing:

- (1) if it declines to apply for a subsequent authorization of its electronic notary solution;
- (2) the date on which it will cease offering its electronic notary solution to North Carolina notaries public; and
- (3) that it has complied with Rule .0216 of this Section.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0216 is proposed for adoption as follows:

18 NCAC 07J .0216 NOTICE TO SUBSCRIBERS AND NOTARIES OF NONRENEWAL

No later than the date that a technology provider gives notice to the Department pursuant to Rule .0215 of this Section, the provider shall:

- (1) notify each subscriber and notary public account holder in writing that it will cease offering its electronic notary solution to North Carolina notaries public;
- (2) specify the date on which it will cease offering its electronic notary solution; and
- (3) comply with the rules in this Subchapter regarding notary access to records and transfer of records to a custodian.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0301 is proposed for adoption as follows:

SECTION .0300 – ~~RESERVED FOR FUTURE CODIFICATION~~ GENERAL APPLICATION PROCEDURES

18 NCAC 07J .0301 APPLICATION PROCESS

A technology provider applicant for authorization of an electronic notary solution shall:

- (1) submit a complete electronic application to the Department;

- (2) demonstrate the electronic notary solution to the Department to enable it to evaluate the compliance with applicable laws, rules, and protocols; and
- (3) submit the filing fee, if applicable, with the application.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0302 is proposed for adoption as follows:

18 NCAC 07J .0302 SEPARATE APPLICATIONS FOR EACH SOLUTION

A technology provider shall complete an application designating each type of electronic notary solution for which it seeks authorization.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0303 is proposed for adoption as follows:

18 NCAC 07J .0303 APPLICATION FEES

(a) Each application for a platform license shall be accompanied by a non-refundable five thousand dollar (\$5,000) fee pursuant to G.S. 10B-134.19(b).

(b) No fee is required to accompany an application for any other electronic notary solution.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0304 is proposed for adoption as follows:

18 NCAC 07J .0304 BINDING REPRESENTATIONS IN APPLICATION

All representations, promises and assurances of performance made to the Department by a technology provider during the application process shall be binding and made under penalty of perjury.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .0305 is proposed for adoption as follows:

18 NCAC 07J .0305 LIMIT ON DESIGNATION OF TRADE SECRET OR CONFIDENTIAL INFORMATION

A technology provider applicant shall not designate its entire application as:

- (1) a trade secret; or
- (2) confidential information.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0306 is proposed for adoption as follows:

18 NCAC 07J .0306 DESIGNATION OF CONFIDENTIAL OR TRADE SECRET INFORMATION

A technology provider applicant shall designate each specific item on its application, attachments, and other filings for which confidentiality or trade secret protection is claimed. Each designation shall comply with:

- (1) the North Carolina Trade Secrets Protection Act, Chapter 66, Article 24 of the General Statutes; or
- (2) the confidentiality provisions of G.S. 132-1.2.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0307 is proposed for adoption as follows:

18 NCAC 07J .0307 REDACTED COPY

A technology provider applicant that designates information as confidential or trade secret shall submit:

- (1) the unredacted filing with the confidential and trade secret designations; and
- (2) an exact duplicate of the filing with redactions of the confidential and trade secret information.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0308 is proposed for adoption as follows:

18 NCAC 07J .0308 DESIGNATION OF REDACTED COPY

For any redacted document submitted pursuant to Rule .0307 of this Section, a technology provider applicant shall include the word “redacted” in:

- (1) the document title;
- (2) the document digital file name; and
- (3) a header on each page.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .0309 is proposed for adoption as follows:

18 NCAC 07J .0309 GOOD FAITH BASIS FOR CONFIDENTIAL OR TRADE SECRET DESIGNATION

If a technology provider designates items on its application as confidential or trade secret, the applicant shall certify on the application that it has formed a good faith opinion that the information claimed as confidential or trade secret meets the requirements for designation under the laws specified in Rule .0306 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .0310 is proposed for adoption as follows:

18 NCAC 07J .0310 SOURCES OF CONFIDENTIAL INFORMATION

If designated as confidential or trade secret, the Department shall presume that the following plans and documents are confidential information or trade secrets:

- (1) configuration management plan required by Rule .0616 of this Subchapter;
- (2) information technology security audit and summary required by Rules .0620 and .0621 of this Subchapter;
- (3) security plan required by Rule .0624 of this Subchapter;
- (4) security incident response plan required by Rule .0626 of this Subchapter; and
- (5) contingency plan required by Rule .0628 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0311 is proposed for adoption as follows:

18 NCAC 07J .0311 APPLICATION CHANGES PRIOR TO LICENSURE OR APPROVAL

If information in a technology provider's application changes before the Department's decision on the application, the provider shall inform the Department in writing, and:

- (1) state what has changed; and
- (2) state the correct information after the change.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0312 is proposed for adoption as follows:

18 NCAC 07J .0312 APPLICATION WITHDRAWAL

A technology provider applicant may withdraw its application:

- (1) before receiving notice of the Department's decision on its application; and
- (2) by providing written notice:
 - (a) with the effective date of the withdrawal; and
 - (b) signed by a person with the authority to bind the applicant.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0313 is proposed for adoption as follows:

18 NCAC 07J .0313 APPLICATION RESUBMISSION

A technology applicant may resubmit its application without a new application fee if the resubmission is delivered within 45 days of:

- (1) the application initially being rejected as incomplete; or
- (2) the application being withdrawn.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0314 is proposed for adoption as follows:

18 NCAC 07J .0314 NOTICE OF DEPARTMENT DECISION

The Department shall notify a technology provider applicant whether its application is:

- (1) rejected as incomplete, with:
 - (a) information regarding the areas in which the application is incomplete; and
 - (b) a time within which the application must be amended to include the information;
- (2) denied, in which case the Department shall provide reasons for the denial; or
- (3) approved.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0315 is proposed for adoption as follows:

18 NCAC 07J .0315 TIMING OF SUBMISSION OF APPLICATION FOR SUBSEQUENT AUTHORIZATION

A technology provider's application for a subsequent authorization shall be submitted:

- (1) no earlier than 120 days before its existing authorization expires; and
- (2) no later than 90 days before its existing authorization expires.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0401 is proposed for adoption as follows:

~~SECTION .0400 – IN PERSON ELECTRONIC NOTARIZATION (AVEN) PROVIDER REQUIREMENTS~~
GENERAL APPLICATION CONTENTS

18 NCAC 07J .0401 CONTENTS OF ALL TECHNOLOGY PROVIDER APPLICATIONS

All technology provider applicants shall submit applications that include the information required by:

- (1) this Section of this Subchapter; and
- (2) 18 NCAC 07B .0422.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0402 is proposed for amendment as follows:

18 NCAC 07J .0402 ~~CRITERIA FOR APPROVAL OF ELECTRONIC NOTARY SOLUTION PROVIDERS~~ PROVIDER NAME

Each applicant and each approved electronic notary solution provider shall:

- ~~(1) Provide a free and readily available viewer/reader so as to enable all parties relying on the electronically notarized record or document to view the electronic notary signature and the electronic notary seal without incurring any cost;~~
- ~~(2) Comply with the laws, policies, and rules that govern North Carolina notaries;~~
- ~~(3) Provide an electronic notarization system or solution that complies with the technical specifications of the rules and standards that govern electronic notarization processes and procedures in North Carolina;~~
- ~~(4) Require such of the provider's principals or employees to take the mandatory electronic notary education course online and pass the required examination as is necessary to ensure the provider possesses sufficient familiarity with North Carolina's electronic notary laws and requirements;~~
- ~~(5) Require notaries to present the NC Secretary of State's Electronic Notary Certificate to Perform Electronic Notary Acts prior to authorizing an electronic notary seal and signature;~~
- ~~(6) Verify the authorization of a North Carolina notary to perform electronic notary acts by logging on to the Department's website and comparing the name, notary commission number and commission expiration date with the information on the Electronic Notary Certificate to Perform Electronic Notary Acts prior to authorizing an electronic notary seal and signature;~~
- ~~(7) Provide prorated fees to align the usage and cost of the electronic notary system or solution with the commission term limit of the electronic notary purchasing the electronic notary seal and signature;~~
- ~~(8) Suspend the use of any electronic notarization system or solution for any notary whose commission has been revoked or suspended by the North Carolina Secretary of State; and~~
- ~~(9) Submit an exemplar of the electronic notary signature and the electronic notary seal to the Department for each electronic notary who subscribes to the provider's electronic notary solution.~~

All technology provider applications shall include:

- (1) the provider's name in its state or jurisdiction of formation; and
- (2) the names required by 18 NCAC 07B .0422(3)(c).

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); ~~10B-126(d)~~; 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; 47-16.5; 47-16.7; 147-36; 15-USC 7002;
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0502 Eff. June 1, ~~2023~~; 2023;
Amended Eff. July 1, 2025.

18 NCAC 07J .0403 is proposed for adoption as follows:

18 NCAC 07J .0403 CONTACT INFORMATION

A technology provider's application shall include the contact information required by 18 NCAC 07B .0422.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0404 is proposed for adoption as follows:

18 NCAC 07J .0404 CERTIFICATION OF STANDING

A technology provider applicant shall certify in its application that it:

- (1) is currently registered to do business in North Carolina or has a certificate of authority to do business in North Carolina; and
- (2) is in current-active status with the Department and the business registrar in the jurisdiction where formed, if not North Carolina.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0405 is proposed for adoption as follows:

18 NCAC 07J .0405 NOTARY SERVICES IN OTHER JURISDICTIONS

A technology provider applicant's application shall provide the following information for each state, federally recognized tribe, or nation in which it has offered the same or similar services within the previous 10 years:

- (1) the types of service provided;

- (2) the month and year in which the technology provider received its most recent license or approval or a statement that a license or approval is not required;
- (3) the expiration date of the most recent required license, approval, or equivalent, if any;
- (4) whether any application for a required license, approval, or equivalent has been denied;
- (5) whether the applicant has discontinued a service and if applicable:
 - (a) an explanation of the discontinuance of the service; and
 - (b) the month and year in which the applicant discontinued services; and
- (6) for any open, pending, or active governmental or authorizing entity's investigations in relation to the applicant's provision of services in another jurisdiction and of which the applicant is aware at the time of application:
 - (a) the name of the governmental or authorizing entity; and
 - (b) a brief description of what the applicant believes is being investigated.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0406 is proposed for adoption as follows:

18 NCAC 07J .0406 COMPLIANCE CONTACT

A technology provider applicant shall name a compliance contact on its application who shall:

- (1) be an employee;
- (2) be a key individual;
- (3) successfully complete the Department's electronic notary public course; and
- (4) successfully complete the Department's technology provider course.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0407 is proposed for adoption as follows:

18 NCAC 07J .0407 COMPLIANCE CONTACT DUTIES

A technology provider's compliance contact shall, for the duration of the provider's authorization:

- (1) have the duty to monitor the provider's compliance with:
 - (a) Chapter 10B of the General Statutes; and
 - (b) the rules in this Chapter;

- (2) ensure that notices are provided to the Department as required by the rules in this Subchapter; and
- (3) receive notices from the Department made pursuant to the rules in this Chapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0408 is proposed for adoption as follows:

18 NCAC 07J .0408 THIRD-PARTY VENDORS INCLUDED IN ELECTRONIC NOTARY SOLUTION

A technology provider applicant shall list on its application any third-party vendors providing services to the technology provider in connection with the electronic notary solution for which it seeks authorization.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0409 is proposed for adoption as follows:

18 NCAC 07J .0409 THIRD-PARTY VENDOR INFORMATION

A technology provider applicant shall provide the following information for each third-party vendor listed on its application:

- (1) the type of service that the vendor provides to the applicant; and
- (2) which, if any, of the third-party vendors used by the solution are:
 - (a) currently approved by the Department;
 - (b) currently under consideration for approval by the Department; or
 - (c) being submitted by the applicant with its application for approval by the Department.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0410 is proposed for adoption as follows:

18 NCAC 07J .0410 SUPPORTING VENDORS

A technology provider applicant shall list on its application any supporting vendors providing the following services to the technology provider in connection with the electronic notary solution for which it seeks authorization:

- (1) cloud services;
- (2) geolocation services;
- (3) communication technology;
- (4) communication recording technology;
- (5) electronic journal;
- (6) digital certificate authorities; and
- (7) electronic signature and electronic seal.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0411 is proposed for adoption as follows:

18 NCAC 07J .0411 SUPPORTING VENDOR INFORMATION

A technology provider applicant shall specify the type of service provided by each supporting vendor listed on its application.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0412 is proposed for adoption as follows:

18 NCAC 07J .0412 VENDORS WITH ACCESS TO NOTARIAL TRANSACTION DATA

A technology provider applicant shall disclose on its application the names of all vendors, business entities, and any of their affiliates that will have access to notarial transaction data when at rest.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0413 is proposed for adoption as follows:

18 NCAC 07J .0413 DISCLOSURE OF CERTIFICATIONS AND COMPLIANCE REPORTS

A technology provider applicant shall disclose on its application each independent third-party certification, SOC 2 Type 2 compliance report, or equivalent pertaining to the electronic notary solution for which authorization is sought, with:

- (1) the name of the issuer of the certification, compliance report, or equivalent;
- (2) the name or title of the certification, compliance report, or equivalent;
- (3) the date of its issuance; and
- (4) its expiration date, if applicable.

Note: FIPS validation, NSA approval, FedRAMP, ISO 27001, or HITRUST are examples of an independent third-party certification or equivalent.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0414 is proposed for adoption as follows:

18 NCAC 07J .0414 DISCLOSURE OF DEBARMENTS

A technology provider applicant shall disclose on its application if it or any of its key individuals is now or has ever been the subject of a debarment by a state, federally recognized tribe, or nation, and for each:

- (1) whether the debarment was for the applicant or a key individual, and the name of the key individual;
- (2) the name of each government that debarred the applicant or the key individual;
- (3) an explanation of the reason for each debarment; and
- (4) the start and end dates of each debarment.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0415 is proposed for adoption as follows:

18 NCAC 07J .0415 DISCLOSURE OF VOLUNTARY EXCLUSIONS IN LIEU OF DEBARMENT

A technology provider applicant shall disclose on its application:

- (1) whether, within 10 years of its application, the applicant or any of its key individuals have agreed to voluntary exclusion in lieu of debarment being taken against it or any of its key individuals by a state, federally recognized tribe, or nation; and
- (2) for each disclosed voluntary exclusion of the applicant or its key individuals:
 - (a) the name of the person for whom any voluntary exclusion was agreed to;

- (b) the name of each governmental entity for which the applicant or the key individual agreed to voluntary exclusion in lieu of debarment;
- (c) an explanation of the reason for each voluntary exclusion; and
- (d) the start and end dates of each voluntary exclusion.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0416 is proposed for adoption as follows:

18 NCAC 07J .0416 DISCLOSURE OF CIVIL LEGAL ACTIONS

A technology provider applicant shall disclose on its application all findings in civil legal actions, including arbitration:

- (1) made within 10 years of its application date;
- (2) that are against the applicant or any of its key individuals for:
 - (a) activity involving dishonesty, untruthfulness, deceit, fraud, false dealing, cheating, stealing, or insider trading;
 - (b) mishandling or misuse of customer data; or
 - (c) failure of the platform to perform as warranted.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0417 is proposed for adoption as follows:

18 NCAC 07J .0417 CONTENT OF CIVIL LEGAL ACTION DISCLOSURES

A technology provider's application disclosure pursuant to Rule .0416 of this Section shall include:

- (1) a description of each finding or admission;
- (2) a copy of the document containing the finding or admission;
- (3) a brief description of the circumstances surrounding the finding or admission;
- (4) if not included in the document in sub Item (2) of this Rule:
 - (a) the date on which the finding or admission was made;
 - (b) the court in which the civil lawsuit was filed; and
 - (c) the case name and docket number; and
- (5) any additional information that the applicant wishes the Department to consider.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0418 is proposed for adoption as follows:

18 NCAC 07J .0418 DISCLOSURE OF DISCIPLINARY ACTIONS

A technology provider shall disclose on its application any disciplinary actions:

- (1) taken against it or any of its key individuals by any state, federally recognized tribe, or nation's government; and
- (2) concluded within 10 years of the application date.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0419 is proposed for adoption as follows:

18 NCAC 07J .0419 CONTENT OF DISCIPLINARY ACTION DISCLOSURES

For each disciplinary action listed pursuant to Rule .0418 of this Section, a technology provider shall disclose:

- (1) the date of each disciplinary action;
- (2) the disciplinary action taken;
- (3) a copy of each disciplinary action;
- (4) if not included in the copy of the disciplinary action provided:
 - (a) the reason given for the disciplinary action;
 - (b) an explanation of the circumstances that led to the disciplinary action; and
 - (c) the name of the issuing entity;
- (5) where the disciplinary action included any corrective action or conditions:
 - (a) whether the applicant or key individual has complied with the corrective actions or conditions; and
 - (b) the date on which compliance with the corrective actions or conditions was satisfied;
- (6) whether the applicant or key individual would be eligible for relicensure or recommissioning; and
- (7) other information that the applicant wishes to include in order to aid the Department in assessing the application.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .0420 is proposed for adoption as follows:

18 NCAC 07J .0420 DISCLOSURE OF BANKRUPTCY

A technology provider applicant shall disclose on its application whether the applicant is in, or has previously exited within the past 10 years, bankruptcy proceedings pursuant to the laws of the United States or other nation.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0421 is proposed for adoption as follows:

18 NCAC 07J .0421 CONTENTS OF BANKRUPTCY DISCLOSURE

A technology provider applicant that discloses a bankruptcy pursuant to Rule .0420 of this Section shall state:

- (1) the status of the matter;
- (2) the style of the case, including the case number; and
- (3) the court in which the bankruptcy was filed.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0422 is proposed for adoption as follows:

18 NCAC 07J .0422 WEBSITE INFORMATION

The application of a technology provider applicant shall include:

- (1) the single URL link required by Rule .0607 of this Subchapter; and
- (2) the form required by 18 NCAC 07B .0422(6).

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0423 is proposed for adoption as follows:

18 NCAC 07J .0423 IT SECURITY AUDIT SUMMARY

The application of a technology provider applicant shall include:

- (1) how often the applicant conducts IT security audits; and
- (2) the IT security audit summary required by Rule .0621 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0501 is proposed for adoption as follows:

SECTION .0500 – ~~RESERVED FOR FUTURE CODIFICATION~~ TECHNOLOGY DEMONSTRATION

18 NCAC 07J .0501 SOLUTION AVAILABILITY REQUIRED

After submitting its application, a technology provider applicant shall make its electronic notary solution available to the Department for evaluation as specified in the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0502 is proposed for adoption as follows:

18 NCAC 07J .0502 DEMONSTRATION CONTENT

A technology provider’s demonstration of its electronic notary solution shall establish that the features, functionality, and instructional materials for users comply with the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0503 is proposed for adoption as follows:

18 NCAC 07J .0503 DEMONSTRATION TO INCLUDE USE OF SOLUTION IN NOTARIAL TRANSACTION

A technology provider’s demonstration of its electronic notary solution shall include a step-by-step exhibition of how the electronic notary solution will be used for notarial transactions.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0504 is proposed for adoption as follows:

18 NCAC 07J .0504 ADDITIONAL DEMONSTRATIONS

Upon request by the Department, a technology provider applicant shall provide additional demonstrations of its electronic notary solution to establish:

- (1) resolution of issues identified in a prior demonstration; and
- (2) compliance with the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0505 is proposed for adoption as follows:

18 NCAC 07J .0505 WAIVER OF DEMONSTRATION REQUIREMENT

The Department may waive the requirement that a technology provider applicant provide the demonstration required by Rule .0501 of this Section based upon the factors in 18 NCAC 07B .0108.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0601 is proposed for amendment as follows:

~~SECTION .0600 – CONTINUING OBLIGATIONS OF ELECTRONIC NOTARIZATION TECHNOLOGY PROVIDERS~~ TECHNOLOGY PROVIDER STANDARDS

18 NCAC 07J .0601 ~~ELECTRONIC NOTARY SOLUTION PROVIDER CHANGES~~ SCOPE

~~(a) An electronic notary solution provider shall notify the Department within 45 days of changes, modifications or updates to information previously submitted to the Department.~~

~~(b) An approved electronic notary solution provider shall obtain approval of the Department pursuant to the Act and this Subchapter before making available to North Carolina electronic notaries any updates or subsequent versions of the provider's electronic notarization system. The rules in this Section apply to electronic notary solutions.~~

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); ~~10B-126(d); 10-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; 47-16.5; 47-16.7; 147-36; 15 USC 7002;~~
Eff. January 1, 2007;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 6, 2016;
Transferred from 18 NCAC 07C .0503 Eff. June 1, ~~2023~~, 2023;
Amended Eff. July 1, 2025.

18 NCAC 07J .0602 is proposed for adoption as follows:

18 NCAC 07J .0602 NOTARY ACCOUNT ACCESS

A technology provider shall ensure that only the notary public, the technology provider, or a person authorized by law can access the notary's:

- (1) account information;
- (2) journals;
- (3) communication technology recordings;
- (4) session records; or
- (5) metadata associated with the notarial transaction.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0603 is proposed for adoption as follows:

18 NCAC 07J .0603 REQUIRE NOTARY MULTI-FACTOR AUTHENTICATION

A technology provider shall require multi-factor authentication before a notary public may access the notary's account.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0604 is proposed for adoption as follows:

18 NCAC 07J .0604 INACTIVITY WARNING TIMING

A technology provider’s electronic notary solution shall issue a warning on screen to a notary public:

- (1) who is logged into the notary’s account; and
- (2) has been inactive longer than 15 minutes.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0605 is proposed for adoption as follows:

18 NCAC 07J .0605 PROVIDER ACTION AFTER WARNING

No more than five minutes after the on screen warning in Rule .0604 of this Section, a technology provider’s electronic notary solution shall:

- (1) determine whether there has been activity by the notary public in that five minutes; and
- (2) log the notary out if there has been no activity.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0606 is proposed for adoption as follows:

18 NCAC 07J .0606 TECHNOLOGY PROVIDER WEB PAGE

A technology provider shall create a publicly accessible web page or pages containing the information required by Rule .0607 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0607 is proposed for adoption as follows:

18 NCAC 07J .0607 SINGLE LINK AND SUBMISSION TO DEPARTMENT

A technology provider shall ensure that the primary website page required by Rule .0606 of this Section is accessible through a single link provided to the Department:

- (1) for inclusion on the Department’s authorized technology provider web page; and
- (2) with any sub-pages directly accessible through the single linked page.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0608 is proposed for adoption as follows:

18 NCAC 07J .0608 WEBSITE CONTENT

A technology provider’s website shall include the following content in the order set out below:

- (1) the provider’s name;
- (2) the provider’s contact information, including:
 - (a) a general telephone number;
 - (b) a sales number, if different; and
 - (c) a support or help desk number;
- (3) the types of authorized electronic notary solution offered and each product name;
- (4) if applicable, a notice that North Carolina notaries may use only electronic notary solutions authorized by the Department;
- (5) a product description, including the functions offered;
- (6) service sectors served by the products described;
- (7) the minimum technical specifications for use of the electronic notary solution by:
 - (a) a notary public;
 - (b) a principal; and
 - (c) other participants in an electronic notarial transaction;
- (8) a direct link to the service level agreement required by Rule .0109 of this Subchapter;
- (9) either the disclosures required by the following rules in this Subchapter or a link to them:
 - (a) Rule .1208;
 - (b) Rule .1427;
 - (c) Rule .1611;
 - (d) Rule .1812; and
 - (e) Rule .2021;
- (10) either the instructions for use and demonstrations or tutorials or links to them; and
- (11) other information that the provider wishes to provide, such as pricing.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .0609 is proposed for adoption as follows:

18 NCAC 07J .0609 UPDATING SINGLE LINK URL

A technology provider shall notify the Department within five business days of a change in the URL of the information required by Rule .0606 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0610 is proposed for adoption as follows:

18 NCAC 07J .0610 ENCRYPTION OF DATA

A technology provider shall securely encrypt data while it is at rest and while it is in transit.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0611 is proposed for adoption as follows:

18 NCAC 07J .0611 DATA STORED DOMESTICALLY

A technology provider shall:

- (1) store all data associated with the notarial transaction process in the United States while the data is at rest; and
- (2) certify compliance with Item (1) of this Rule:
 - (a) on its initial and subsequent applications; and
 - (b) on its verification of compliance pursuant to Rule .0211 of this Subchapter, if applicable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0612 is proposed for adoption as follows:

18 NCAC 07J .0612 DATA STORAGE FACILITY REQUIREMENTS

A technology provider shall store all data associated with a notarial session in facilities that are:

- (1) climate-controlled; and
- (2) secure from unauthorized physical access.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0613 is proposed for adoption as follows:

18 NCAC 07J .0613 DATA CENTER SECURITY

A technology provider shall ensure that each data center it uses has physical security measures in place that include:

- (1) restricting physical system access to personnel authorized by the provider to access the data center’s system;
- (2) monitoring and logging physical access to the data center’s information systems;
- (3) maintaining the physical access logs for five years; and
- (4) monitoring and responding to:
 - (a) physical intrusion alarms; and
 - (b) surveillance system observations and alerts.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0614 is proposed for adoption as follows:

18 NCAC 07J .0614 CERTIFICATION RE DATA CENTER SECURITY

A technology provider shall certify its compliance with Rules .0612 and .0613 of this Section on its:

- (1) initial and subsequent applications; and
- (2) verification of compliance pursuant to Rule .0211 of this Subchapter, if applicable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0615 is proposed for adoption as follows:

18 NCAC 07J .0615 MAINTENANCE OF SOFTWARE AND HARDWARE

A technology provider's hardware, software, and firmware for systems supporting the electronic notary solution shall:

- (1) not be classified as end-of-life by their manufacturers;
- (2) still be eligible for vendor security patches; and
- (3) comply with the "N-1" principle that states that all systems should be running either the newest stable release or one version prior to that release.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0616 is proposed for adoption as follows:

18 NCAC 07J .0616 CONFIGURATION MANAGEMENT PLAN

A technology provider shall maintain a configuration management plan for systems supporting the electronic notary solution that addresses:

- (1) maintenance of an accurate inventory of items including:
 - (a) software;
 - (b) hardware; and
 - (c) network components;
- (2) establishment of configuration settings that reflect the most restrictive mode consistent with its operational requirements;
- (3) use of automated mechanisms to detect inventory and configuration changes;
- (4) prevention of unauthorized changes to the systems; and
- (5) evaluation of the potential security impact of proposed changes.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0617 is proposed for adoption as follows:

18 NCAC 07J .0617 IDENTIFICATION AND ACCESS CONTROL

A technology provider shall implement personnel identification and access control measures for systems supporting the electronic notary solution that:

- (1) designate and authorize users;

- (2) assign access to its data and systems based on users' roles;
- (3) restrict non-privileged users from performing privileged functions;
- (4) review, manage, and monitor users' role-based access;
- (5) restrict notarial transaction process-related data access to authorized persons; and
- (6) delete, revise, or remove access for users:
 - (a) whose role changes; or
 - (b) who are no longer employed with the provider.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0618 is proposed for adoption as follows:

18 NCAC 07J .0618 IDENTIFICATION AND ACCESS CONTROL BY THIRD-PARTY VENDORS AND SUPPORTING VENDORS

A technology provider shall confirm that each of its third-party and supporting vendors maintain and implement identification and access control measures equivalent to or more stringent than those required by Rule .0617 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0619 is proposed for adoption as follows:

18 NCAC 07J .0619 VULNERABILITY DETECTION AND REMEDIATION

A technology provider shall:

- (1) scan for vulnerabilities of the systems supporting the electronic notary solution at least weekly; and
- (2) detect and remediate IT security vulnerabilities.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0620 is proposed for adoption as follows:

18 NCAC 07J .0620 IT SECURITY AUDIT

A technology provider shall have a third-party audit of its IT security conducted at least once every three years:

- (1) sufficient to comply with Rule .0622 of this Section; and
- (2) by Certified Information Systems Auditors or the equivalent.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0621 is proposed for adoption as follows:

18 NCAC 07J .0621 SUMMARY OF IT SECURITY AUDIT

A technology provider shall provide a summary to the Department of its most recent IT security audit, which shall not be more than three years old:

- (1) on its initial and subsequent applications; and
- (2) on its verification of compliance pursuant to Rule .0211 of this Section, if applicable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0622 is proposed for adoption as follows:

18 NCAC 07J .0622 CONTENTS OF IT SECURITY AUDIT SUMMARY

The IT audit summary provided to the Department pursuant to Rule .0620 of this Section shall include:

- (1) the date of the audit;
- (2) the third-party audit standards by which the audit was conducted;
- (3) the name, contact information, and title or role of a representative of the organization conducting the audit;
- (4) the IT security audit findings; and
- (5) any plan of action including a timeline to address all findings.

Note: For purposes of this rule, “finding” means:

- (1) a deficiency in internal control;
- (2) noncompliance with applicable laws and rules; or
- (3) instances of fraud.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0623 is proposed for adoption as follows:

18 NCAC 07J .0623 CYBERSECURITY INCIDENT PREVENTION

A technology provider shall take steps to prevent cybersecurity incidents by:

- (1) logging and monitoring access to the system; and
- (2) detecting, tracking, and addressing security flaws.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0624 is proposed for adoption as follows:

18 NCAC 07J .0624 SECURITY PLAN

A technology provider shall maintain a security plan specifying how it will comply with laws, rules, and the Department's protocols related to:

- (1) physical security; and
- (2) IT security.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0625 is proposed for adoption as follows:

18 NCAC 07J .0625 SECURITY BOUNDARY AND THREAT PROTECTION TECHNOLOGY

A technology provider shall use security boundary and threat protection technology.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0626 is proposed for adoption as follows:

18 NCAC 07J .0626 SECURITY INCIDENT RESPONSE PLAN

A technology provider shall maintain a security incident response plan that:

- (1) addresses the capabilities required by the rules in this Section;
- (2) includes annual testing; and
- (3) is revised annually, as needed.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0627 is proposed for adoption as follows:

18 NCAC 07J .0627 CYBERSECURITY INCIDENT RESPONSE

A technology provider shall:

- (1) detect and respond to any cybersecurity incident;
- (2) store evidence related to a cybersecurity incident in a manner that:
 - (a) establishes chain of custody; and
 - (b) preserves chain of custody; and
- (3) retain security logs and other data related to cybersecurity incidents and response for at least three years.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .0628 is proposed for adoption as follows:

18 NCAC 07J .0628 CONTINGENCY PLAN REQUIREMENT

A technology provider shall maintain a contingency plan for recovery to a functional state in the event of a cybersecurity incident or other service disruption of:

- (1) its authorized electronic notary solutions;
- (2) the following businesses upon which its electronic notary solutions are reliant:
 - (a) critical infrastructure companies, as defined in G.S. 166A-19.70A; and
 - (b) supporting vendors listed pursuant to Rule .0410 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0629 is proposed for adoption as follows:

18 NCAC 07J .0629 CONTENTS OF CONTINGENCY PLAN

A technology provider’s contingency plan shall include:

- (1) the manner in which it will recover its authorized services to a functional state;
- (2) a projected timeline for recovery to a functional state; and
- (3) required notices to the Department and notaries public pursuant to Section .0200 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0701 is proposed for adoption as follows:

SECTION .0700 – ELECTRONIC SIGNATURE AND SEAL STANDARDS

18 NCAC 07J .0701 APPLICATION OF ELECTRONIC SEAL

An electronic notary seal shall be applied only by an electronic notary using an IPEN or platform provider’s electronic notary solution.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0702 is proposed for adoption as follows:

18 NCAC 07J .0702 COMPLIANCE WITH ELECTRONIC SIGNATURE AND SEAL RULES

An IPEN or platform provider’s electronic notary solution shall enable an electronic notary public to comply with the following rules:

- (1) 18 NCAC 07F Section .0700, Electronic Notary Signature;
- (2) 18 NCAC 07F Section .0800, Electronic Notary Seal; and
- (3) 18 NCAC 07F Section .1000, Confidentiality, Security, and Records Retention.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0703 is proposed for adoption as follows:

18 NCAC 07J .0703 APPLICATION OF SIGNATURE

An IPEN or platform provider’s electronic notary solution shall enable an electronic notary public to affix the electronic notary’s signature on an electronic notarial certificate.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0704 is proposed for adoption as follows:

18 NCAC 07J .0704 SIGNATURE APPEARANCE

An IPEN or platform provider’s electronic notary solution shall enable an electronic notary public to apply the electronic notary’s electronic signature to a document being notarized only if:

- (1) the signature is an exact copy of the electronic notary’s handwritten signature delivered pursuant to Rules .1201 and .1410 of this Subchapter; or
- (2) the signature is handwritten by the electronic notary using electronic means during the notarial transaction.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0705 is proposed for adoption as follows:

18 NCAC 07J .0705 SIGNATURE AND SEAL REVIEW

An IPEN or platform provider’s electronic notary solution shall enable an electronic notary public to comply with 18 NCAC 07F .0710 and .0815 by permitting the electronic notary to:

- (1) view the electronic signature and seal after application; and
- (2) delete and reapply the electronic signature and seal before committal.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0706 is proposed for adoption as follows:

18 NCAC 07J .0706 SIGNATURE AND SEAL CHANGES

If an IPEN or platform provider’s electronic notary solution receives a commission certificate and registration certificate reflecting a change in an electronic notary public’s name, county, or expiration date, the provider shall:

- (1) use the Department’s notary public database to:
 - (a) verify that the electronic notary’s information has changed as shown on the certificate; and
 - (b) verify that the electronic notary continues to be in active status with the Department;
- (2) generate a new electronic seal reflecting the changed information;
- (3) obtain an updated handwritten signature from the electronic notary if the notary’s name has changed;
- (4) provide exemplars of the updated signature and seal to the Department; and
- (5) reconfirm the Department’s receipt of the exemplars.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0801 is proposed for adoption as follows:

SECTION .0800 – ELECTRONIC JOURNAL STANDARDS

18 NCAC 07J .0801 ELECTRONIC JOURNAL REQUIRED

An IPEN or platform provider’s electronic notary solution shall provide an electronic journal in which an electronic notary can record all completed and cancelled electronic notarial transactions.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0802 is proposed for adoption as follows:

18 NCAC 07J .0802 COMPLIANCE WITH JOURNAL RULES

An IPEN or platform provider shall design its electronic journals in a way that enables an electronic notary public to comply with the journal rules in this Chapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0803 is proposed for adoption as follows:

18 NCAC 07J .0803 JOURNAL ENTRY FOR EACH NOTARIAL TRANSACTION

An IPEN or platform provider shall design its electronic journals to require a single journal entry for each:

- (1) notarial act;
- (2) canceled notarial act; and
- (3) supplemental journal entry.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0804 is proposed for adoption as follows:

18 NCAC 07J .0804 IDENTIFICATION OF NOTARIAL ACTS

An IPEN solution or platform provider shall design its electronic journals to separate and count notarial acts as follows:

- (1) for acknowledgments and verifications or proofs, each notarized principal signature shall be its own separate notarial act; and
- (2) for oaths or affirmations, each oath or affirmation administered to an individual shall be its own separate notarial act, without regard to whether the oath was administered simultaneously to more than one individual.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0805 is proposed for adoption as follows:

18 NCAC 07J .0805 CLASSIFICATION OF JOURNAL ENTRIES

An IPEN solution or platform provider shall design its electronic journals to enable an electronic notary public to classify each journal entry as:

- (1) a completed notarial act;
- (2) a cancelled notarial transaction; or
- (3) a supplemental journal entry.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0806 is proposed for adoption as follows:

18 NCAC 07J .0806 MINIMUM LENGTH OF NOTES FIELD

An IPEN solution or platform provider shall design its electronic journals to provide a notes field:

- (1) that allows a notary to enter observations about a notarial transaction; and
- (2) that accommodates at least 3,000 characters.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0807 is proposed for adoption as follows:

18 NCAC 07J .0807 JOURNAL DATA VALIDATION

An IPEN or platform provider shall design its electronic journal to allow a notary public to review, amend, or confirm information in all fields contained within a journal entry before committing it.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0808 is proposed for adoption as follows:

18 NCAC 07J .0808 COMMITTED JOURNAL ENTRY AMENDMENTS PROHIBITED

An IPEN or platform provider shall design its electronic journal to prohibit amendment of an electronic journal entry after it is committed by the notary public.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0809 is proposed for adoption as follows:

18 NCAC 07J .0809 PRINTING OF ELECTRONIC JOURNAL INFORMATION

An IPEN or platform provider shall design its electronic journal to permit the notary public to print a tangible and legible copy of each journal entry selected by the notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0810 is proposed for adoption as follows:

18 NCAC 07J .0810 JOURNAL SEARCH

An IPEN or platform provider shall ensure that its electronic journal can be searched based on the information entered by a notary public in any field in the journal.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0811 is proposed for adoption as follows:

18 NCAC 07J .0811 SEGREGATION OF ENTRIES

An IPEN or platform provider shall ensure that entries in its electronic journals can be designated separately from other entries. Note: An example of separate designation would be flagging entries subject to a litigation hold.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0812 is proposed for adoption as follows:

18 NCAC 07J .0812 NOTARY ACCESS TO JOURNAL

During the contract period in which a notary public has use of an IPEN or platform provider's electronic journal, the provider shall make the entries and journal:

- (1) viewable by the notary;
- (2) printable by the notary;
- (3) available for download; and
- (4) available for transfer to a custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0813 is proposed for adoption as follows:

18 NCAC 07J .0813 TERMINATION OF RELATIONSHIP WITH NOTARY

An IPEN or platform provider shall do the following upon the termination of its relationship with a notary public:

- (1) within 45 days, transfer the notary's electronic journal to a custodian; and
- (2) delete the electronic journal entries and journal after transfer to a custodian unless retention is permitted pursuant to law or the rules in this Subchapter.

Note: For purposes of this rule, termination of relationship means:

- (1) termination of a contract between the provider and a notary or the notary's employer; or
- (2) restriction, suspension, or termination of the provider's authorization by the Department or a court of general jurisdiction.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0814 is proposed for adoption as follows:

18 NCAC 07J .0814 SUPPLEMENTAL JOURNAL ENTRIES

An IPEN or platform provider's electronic journal shall allow a notary public to record one or more supplemental journal entries pursuant to 18 NCAC 07I .0308.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0901 is proposed for adoption as follows:

SECTION .0900 – COMMUNICATION TECHNOLOGY STANDARDS

18 NCAC 07J .0901 ACCESS LIMITED

A platform provider shall limit participation in a notarial session to individuals authorized to have access by:

- (1) the notary public who will perform the notarial acts;
- (2) the principals in the notarial transaction; and
- (3) other parties authorized by the notary or principals.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0902 is proposed for adoption as follows:

18 NCAC 07J .0902 VIEW OF DOCUMENT

The communication technology shall allow an electronic notary public to view the application of the principal's signature to any document being notarized.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0903 is proposed for adoption as follows:

18 NCAC 07J .0903 VIDEO STANDARDS

A platform provider's communication technology shall enable:

- (1) comparison by the notary of a remotely located principal's facial features with the credential that was used for credential analysis;
- (2) visual communication between the notary, principals, and any additional participants, including interpreters and transliterators, for the duration of the notarial transaction; and
- (3) the remotely located principal for whom CART captioning is being provided and the speaker to see the CART captions.

Note: Visual communication includes American Sign Language and cued speech.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0904 is proposed for adoption as follows:

18 NCAC 07J .0904 VIDEO CUSTOMIZATION STANDARD

A platform provider's communication technology shall include a feature that:

- (1) allows each participant to lock the size and position of a priority video window; and
- (2) can be located easily by a participant in a notarial transaction.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0905 is proposed for adoption as follows:

18 NCAC 07J .0905 AUDIO STANDARDS

A platform provider's communication technology shall support audio interactions between all participants in a notarial transaction that:

- (1) provide live audio transmission for the duration of the notarial transaction;
- (2) provide clarity and volume so that all participants can hear the audio; and
- (3) synchronize the audio with the video transmission, except as permitted pursuant to 18 NCAC 07H .0405.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0906 is proposed for adoption as follows:

18 NCAC 07J .0906 WRITTEN COMMUNICATION STANDARD

A platform provider's communication technology shall support:

- (1) live transmission of on-screen text communication between all participants in a notarial transaction;
- (2) CART captioning pursuant to Rule .0903 of this Section; and
- (3) customization by each participant of all text outputs generated by the participants of:
 - (a) the contrast between the text and background;

(b) the size of the text; and

(c) the text font.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0907 is proposed for adoption as follows:

18 NCAC 07J .0907 RECORDING CAPABILITY

A platform provider's communication technology shall:

(1) permit recording of a remote electronic notarial session; and

(2) provide the electronic notary public with the controls to:

(a) initiate a communication technology recording;

(b) conclude a communication technology recording; and

(c) allow creation of a session record in accordance with the rules in this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0908 is proposed for adoption as follows:

18 NCAC 07J .0908 RECORDING CONTENT

A platform provider's communication technology shall:

(1) preserve all audio, visual, and written content as it occurred or was presented during the notarial session; and

(2) exclude or blur the document being notarized.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0909 is proposed for adoption as follows:

18 NCAC 07J .0909 RECORDING METADATA

A platform provider's communication technology shall associate metadata to a communication technology recording documenting:

- (1) the format of the recording; and
- (2) the length of the recording.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .0910 is proposed for adoption as follows:

18 NCAC 07J .0910 RECORDING OF REMOTE JUDICIAL ACTIONS OR PROCEEDINGS

Any recording of a remote judicial action or proceeding authorized by G.S. 10B-134.9(d) shall be exempted from the rules of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1001 is proposed for adoption as follows:

SECTION .1000 – DEPOSITORY SERVICES STANDARDS

18 NCAC 07J .1001 DEPOSITORY REQUIREMENTS

Except as noted, the rules in this Section apply to the depositories of IPEN solution providers and platform providers.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1002 is proposed for adoption as follows:

18 NCAC 07J .1002 SESSION RECORD CREATION

- (a) A session record shall be created at the end of a notarial session and include:
- (1) all journal entries made in the session;
 - (2) any communication technology recording made of the session; and
 - (3) metadata as required by Rule .1017 of this Section.

(b) A session record shall be created for a traditional notary public using a platform depository’s services only if the traditional notary:

- (1) administers an oath or affirmation pursuant to G.S. 10B-134.9(d);
- (2) chooses to make an entry in the provider’s electronic journal; and
- (3) designates a custodian.

(c) A session record shall be created for each supplemental journal entry.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1003 is proposed for adoption as follows:

18 NCAC 07J .1003 SESSION RECORD DIGITAL SIGNATURE

A depository shall digitally sign each session record created using an Organizational Validation certificate issued to it by a trusted certificate authority.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1004 is proposed for adoption as follows:

18 NCAC 07J .1004 SESSION RECORD PRESUMPTION

The Department shall consider a session record to be the presumptive record of a notarial act if the session record:

- (1) is unmodified and intact; and
- (2) documents the circumstances of each notarial act occurring within the session.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1005 is proposed for adoption as follows:

18 NCAC 07J .1005 SESSION IDENTIFIER

A depository shall establish a session identifier for each notarial session or supplemental journal entry by concatenating the following numbers, with no separation or punctuation:

- (1) the four-digit identifying number assigned to the authorized depository by the Department;
- (2) the 12 digit commission number of the notary public who performs notarial acts during the session, padded with leading zeros as necessary;
- (3) the eight-digit date on which the session occurred, comprised of the following numbers in the order listed:
 - (a) the four-digit calendar year;
 - (b) the two-digit month; and
 - (c) the two-digit day; and
- (4) a seven -digit sequential session number that is assigned by the depository and that:
 - (a) begins with number 0000001 on the first day of the calendar year; and
 - (b) ends with the last sequential number for sessions in that same calendar year.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1006 is proposed for adoption as follows:

18 NCAC 07J .1006 SEARCHABLE SESSION RECORD FIELDS

A depository shall make session records searchable and identifiable by the following fields:

- (1) the session identifier required pursuant to Rule .1005 of this Section;
- (2) the commission name of the notary public;
- (3) the county of the notary’s commission;
- (4) the number of notarial acts performed as entered by the notary public;
- (5) the names of the remotely located principals as they appear on the credentials presented for credential analysis;
- (6) the time of day when the session ended;
- (7) whether the session was performed in the conduct of the business of a notary’s employer;
- (8) the name of the employer, if applicable;
- (9) the types of notarial acts, or cancellation of the session; and
- (10) whether the electronic notarial act was:
 - (a) an electronic notarial act; or
 - (b) a remote electronic notarial act:
 - (i) pursuant to G.S. 10B-134.9(d) for which no electronic journal entry is made; or
 - (ii) other remote electronic notarial act pursuant to Article 4A of Chapter 10B of the General Statutes; or
- (11) whether the session record is for a supplemental journal entry.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1007 is proposed for adoption as follows:

18 NCAC 07J .1007 SESSION RECORD UNCHANGED

A depository shall ensure that there are no changes to a session record held in its depository from the time the record is created until transfer to a custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1008 is proposed for adoption as follows:

18 NCAC 07J .1008 STORAGE LOCATIONS

A depository shall maintain copies of each session record and session record log in two or more geographically separated data facilities.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1009 is proposed for adoption as follows:

18 NCAC 07J .1009 TIME LIMIT FOR TRANSFER FROM DEPOSITORY

A depository shall transfer a session record to a custodian selected by a notary public on the earliest of:

- (1) a time agreed to by the notary;
- (2) no later than 10 days from receipt of a written transfer request from the notary;
- (3) one year from the date the session concluded; or
- (4) the expiration of the provider's contract with the notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1010 is proposed for adoption as follows:

18 NCAC 07J .1010 EXCEEDANCE OF STORAGE TIME LIMIT

A depository that is unable to comply with Rule .1009 of this Section shall:

- (1) notify the Department upon discovering the inability; and
- (2) comply with the rules for custodians in Section .2000 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1011 is proposed for adoption as follows:

18 NCAC 07J .1011 DELETION OF SESSION RECORD

A depository shall delete a session record from its depository within 45 days of receiving a confirmation receipt from the electronic notary public's designated transferee custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1012 is proposed for adoption as follows:

18 NCAC 07J .1012 VALIDATION BEFORE DELETION

A depository shall not delete a session record until it receives the transferee custodian's receipt confirming that the record has been:

- (1) received; and
- (2) validated.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1013 is proposed for adoption as follows:

18 NCAC 07J .1013 NOTARY ACCESS TO SESSION RECORD FROM DEPOSITORY

A depository shall allow a notary public to view, copy, print, and download any of the notary's session records in the possession of the depository at any time and at no cost.

Note: This rule shall not apply to planned service outages for which notice is provided pursuant to Rule .0205 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1014 is proposed for adoption as follows:

18 NCAC 07J .1014 DEPOSITORY CONTINUITY OF SERVICES

A depository shall not discontinue operation of its depository until all session records and session record logs are transferred to the custodians designated by the notaries public.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1015 is proposed for adoption as follows:

18 NCAC 07J .1015 JOURNAL ENTRY IDENTIFIER

A depository shall establish a journal entry identifier for each journal entry by concatenating the following numbers in the order below:

- (1) the session identifier; and
- (2) a three-digit number representing the sequential number of the journal entry within the session record.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1016 is proposed for adoption as follows:

18 NCAC 07J .1016 SESSION RECORD LOG FOR WHICH THERE IS NO ELECTRONIC JOURNAL ENTRY

If a traditional notary public administers an oath or affirmation pursuant to G.S. 10B-134.9(d) and chooses not to make an electronic journal entry, the platform depository shall create a session record log entry of the oaths or affirmations administered during the session.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1017 is proposed for adoption as follows:

18 NCAC 07J .1017 REQUIRED METADATA

After the notary public has committed the session record and before the depository digitally signs the PDF/A of the session record, the depository shall add the following metadata:

- (1) the session identifier;
- (2) the notary name as shown on the notary's commission certificate;
- (3) the notary's count of the number of notarial acts performed, as applicable;
- (4) the date and time the session record was created and sealed by the depository;
- (5) a list of the types of notarial acts performed; and
- (6) whether the notarial acts performed were:
 - (a) electronic notarial acts;
 - (b) remote electronic notarial acts pursuant to G.S. 10B-134.9(d) for which no electronic journal entry is made; or
 - (c) other remote electronic notarial acts.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1018 is proposed for adoption as follows:

18 NCAC 07J .1018 SESSION RECORD LOG

A depository shall establish a session record log for each session as required by Rule .1019 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1019 is proposed for adoption as follows:

18 NCAC 07J .1019 CONTENTS OF SESSION RECORD LOG

A session record log shall include:

- (1) the session record identifier;
- (2) the time and date that the session:
 - (a) started; and
 - (b) ended;
- (3) whether a session record was created;
- (4) the name of the notary public exactly as it appears on the notary's commission certificate;
- (5) whether the notarial act was performed for the notary's employer, and the name of the employer, if applicable;
- (6) the types of notarial acts performed during the notarial session as defined in G.S. 10B-3(11);
- (7) whether the electronic notarial act was:
 - (a) an electronic notarial act; or
 - (b) a remote electronic notarial act:
 - (i) pursuant to G.S. 10B-134.9(d) for which no electronic journal entry is made; or
 - (ii) other remote electronic notarial act pursuant to Article 4A of Chapter 10B of the General Statutes;
- (8) the IP address of the device used by the notary in the notarial transaction;
- (9) for each principal in the notarial transaction:
 - (a) the principal's name as it appears on the credentials presented for credential analysis;
 - (b) the IP address of the primary device used by the principal to enter the communication technology of a platform used in the notarial transaction; and
 - (c) the principal's location:
 - (i) as determined by geolocation, if available; or
 - (ii) as entered by the notary if self-attestation is used as the means of verifying the principal's location;
- (10) the notary's count of the notarial acts performed during the notarial session;
- (11) the platform's count of the notarial acts performed during the notarial session;
- (12) whether the platform facilitated payment to the notary, and if applicable:
 - (a) the name of the person making the payment;
 - (b) the method of payment:
 - (i) ACH;
 - (ii) credit card; or
 - (iii) other electronic method;
 - (c) the name of the financial institution; and

- (d) the last four digits of the account number used; and
- (13) the date on which the session record was deleted.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1020 is proposed for adoption as follows:

18 NCAC 07J .1020 ENTRY TO DEPARTMENT DATABASE

A depository shall update the Department’s database at the conclusion of each notarial session with the following information:

- (1) the session identifier;
- (2) the date and time that:
 - (a) the session began; and
 - (b) the session ended;
- (3) whether a session record was created;
- (4) the IP address of the device used by the notary in the notarial transaction;
- (5) whether the electronic notarial act was:
 - (a) an electronic notarial act; or
 - (b) a remote electronic notarial act:
 - (i) pursuant to G.S. 10B-134.9(d) for which no electronic journal entry is made; or
 - (ii) other remote electronic notarial act pursuant to Article 4A of Chapter 10B of the
General Statutes;
- (6) the principal names as they appear on the credentials presented for credential analysis;
- (7) the notary’s count of notarial acts performed during the session; and
- (8) the platform’s count of notarial acts performed during the session.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1021 is proposed for adoption as follows:

18 NCAC 07J .1021 RETENTION OF SESSION RECORD LOG BY DEPOSITORY

Each session record log shall be retained by the depository for no less than 15 years from the date of the session record log creation.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1022 is proposed for adoption as follows:

18 NCAC 07J .1022 TRANSFER OF SESSION RECORD LOG

A depository shall transfer to a custodian a copy of a session record log together with any associated session record.

A depository shall not be required to transfer a copy of a session record log to a custodial notary public.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1023 is proposed for adoption as follows:

18 NCAC 07J .1023 ENTRY IN DEPARTMENT’S DATABASE BY TRANSFEROR

Upon validation pursuant to Rule .1012 of this Section, a transferor shall update the Department’s database with the following information:

- (1) the session identifier;
- (2) the four-digit identifying number assigned to the technology provider making the entry into the Department’s database;
- (3) the four-digit identifying number assigned to the transferor;
- (4) for the transferee:
 - (a) the four-digit identifying number assigned to the transferee; or
 - (b) the custodial notary public’s commission number, if applicable; and
- (5) the date and time of the transfer.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1101 is proposed for adoption as follows:

SECTION .1100 – BRIDGE PROVISIONS

18 NCAC 07J .1101 SAFE HARBOR

An existing technology provider may continue to provide its IPEN solution under its previous approval until:

- (1) its first complete application submitted pursuant to Rule .1303 of this Subchapter has been approved or denied;
- (2) it discontinues offering its IPEN solution in North Carolina and provides notice pursuant to Rules .0215 and .0216 of this Subchapter; or
- (3) July 1, 2026, whichever is earlier.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1102 is proposed for adoption as follows:

18 NCAC 07J .1102 DEADLINE FOR EXISTING TECH PROVIDER APPLICATIONS

An existing technology provider shall:

- (1) submit an application for authorization of its IPEN solution:
 - (a) no earlier than the effective date of the rules in this Subchapter; and
 - (b) no later than April 1, 2026; or
- (2) provide notice no later than April 1, 2026, pursuant to Rules .0215 and .0216 of this Subchapter that it will discontinue offering its IPEN solution in North Carolina.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1103 is proposed for adoption as follows:

SECTION .1100 – BRIDGE PROVISIONS

18 NCAC 07J .1103 COMPLIANCE WITH RULES DURING BRIDGE PERIOD

An existing technology provider shall comply with the following rules between the effective date of the rules in this Subchapter and the applicable date in Rule .1102 of this Section:

- (1) Rules .0101-.0102, .0104-.0108, and .0110 of this Subchapter;
- (2) Rules .0201-.0202 of this Subchapter;
- (3) Rule .0602 of this Subchapter;
- (4) Rules .0701-.0706 of this Subchapter;

(5) Rules .1101-.1104 of this Section; and

(6) Items (2)-(4) and (6)-(8) of Rule .1202 of this Subchapter and Rules .1203-.1205 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1104 is proposed for adoption as follows:

18 NCAC 07J .1104 APPLICATION REQUIRED UPON CHANGES

If an existing technology provider operating pursuant to Rule .1101 of this Section undergoes a change reportable pursuant to Rule .0201 of this Subchapter, it shall file an application pursuant to Section .1300 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1201 is proposed for adoption as follows:

SECTION .1200 – IPEN SOLUTION STANDARDS

18 NCAC 07J .1201 IPEN SOLUTION ACCOUNT CREATION

An IPEN solution provider shall create an account for an electronic notary public only after it:

- (1) confirms the electronic notary’s identity by using approved credential analysis and identity proofing solutions;
- (2) receives the electronic notary’s commission certificate and electronic notary registration certificate from the electronic notary;
- (3) uses the Department’s online database of notaries to:
 - (a) search for the electronic notary by commission name and number;
 - (b) verify whether the electronic notary:
 - (i) is in active status as an electronic notary;
 - (ii) the expiration date of the individuals’ commission certificate; and
 - (iii) the county of commissioning of the electronic notary;
- (4) documents the electronic notary’s designated custodian;
- (5) acquires an image of the electronic notary’s handwritten signature or arranges for the electronic notary to use its device to, by hand, electronically sign notarial certificates;

- (6) creates an image of the electronic notary's electronic notary seal that complies with 18 NCAC 07F .0807;
- (7) provides to the Department an exemplar of:
- (a) the electronic notary's electronic signature; and
 - (b) the electronic notary's electronic seal; and
- (8) receives confirmation of receipt of the electronic notary's signature and seal exemplars from the Department.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1202 is proposed for adoption as follows:

18 NCAC 07J .1202 CHANGES TO NOTARY COMMISSION CERTIFICATE PRESENTED TO IPEN SOLUTION PROVIDER

Upon receiving a commission certificate or electronic notary registration certificate that differs from that previously presented by an electronic notary public, the IPEN solution provider shall comply again with Rule .1201 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1203 is proposed for adoption as follows:

18 NCAC 07J .1203 VERIFICATION OF NOTARY STATUS

When an electronic notary public initiates a notarial session, an IPEN solution provider shall use the Department's notary public database to verify whether the electronic notary is in active status as an electronic notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1204 is proposed for adoption as follows:

18 NCAC 07J .1204 INABILITY TO VERIFY ACTIVE STATUS

If an IPEN solution provider cannot verify the active status of an electronic notary public, the provider shall:

- (1) not allow the notary to proceed with the notarial session; and
- (2) enable the notary's access to the IPEN solution only to search, view, print, and download existing records.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1205 is proposed for adoption as follows:

18 NCAC 07J .1205 WHEN PROVIDER MAY RE-ENABLE FULL ACCESS

An IPEN solution provider may re-enable an electronic notary public's full access to the solution if it can verify active status pursuant to Rule .1203 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1206 is proposed for adoption as follows:

18 NCAC 07J .1206 IPEN VERIFICATION OF CUSTODIAN

If an IPEN solution provider does not offer custodial services, it shall not allow an electronic notary to begin a notarial session until:

- (1) the electronic notary discloses the name of the custodian with whom the notary has contracted for custodial services; or
- (2) the electronic notary states that he or she will be a custodial notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1207 is proposed for adoption as follows:

18 NCAC 07J .1207 FORMAT OF SESSION RECORD

An IPEN solution shall render a session record tamper evident by:

- (1) preserving it in PDF/A format; and

- (2) signing the PDF/A with a verifiable digital certificate to indicate the IPEN solution from which the notarized electronic record originated and prevent further alteration.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .1208 is proposed for adoption as follows:

18 NCAC 07J .1208 IPEN SOLUTION DISCLOSURE

Following the information required by Rule .0608 of this Subchapter, an IPEN solution provider shall:

- (1) publish the information required by Rule .1209 of this Section; and
(2) display the information as required by Rule .1210 of this Section.

*History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.*

18 NCAC 07J .1209 is proposed for adoption as follows:

18 NCAC 07J .1209 CONTENT OF ADDITIONAL IPEN SOLUTION DISCLOSURES

An IPEN solution provider's additional disclosures pursuant to Rule .1208 of this Section shall include information regarding:

- (1) records retention:
(a) whether the IPEN solution retains a copy of the notarized document upon conclusion of the notarial session and, if so, for how long; and
(b) whether the IPEN solution retains the principal's personal information upon conclusion of the notarial session and, if so, for how long;
(2) availability:
(a) projected IPEN solution unavailability due to monthly scheduled maintenance;
(b) the business hours during which a customer support representative is available for consultation; and
(c) average wait time during business hours for a response from a customer support representative; and
(3) the IPEN solution provider's technical issue resolution targets, which shall include:
(a) categorization of issue severity based on a numeric scale or denoted by single words such as "critical," "high," "medium," and "low;"

- (b) a plain language description of each category; and
- (c) the maximum projected resolution time for issues encountered in each category.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1210 is proposed for adoption as follows:

18 NCAC 07J .1210 IPEN SOLUTION DISCLOSURE FORMAT

An IPEN solution provider shall present the additional disclosures required by Rule .1208 of this Section in tabular form in the order shown in the table in this Rule:

- (1) add horizontal rows in the service disruption response time section as needed to describe each category;
- (2) engineer as specified in the Department’s protocols to support accommodation pursuant to G.S. 10B-134.1(1); and
- (3) replace the rule references with the provider’s response to the question in the first column.

[Insert Technology Provider Name]		
IPEN Solution Disclosures		
Does IPEN solution retain a copy of the notarized document?	[Rule .1209(1)(a) of this Section]	
Does IPEN solution retain principals’ personal information?	[Rule .1209(1)(b) of this Section]	
Projected monthly unavailability due to maintenance?	[Rule .1209(2)(a) of this Section]	
Customer support hours?	[Rule .1209(2)(b) of this Section]	
Average customer support response time?	[Rule .1209(2)(c) of this Section]	
Unscheduled Service Disruption Response Times		
Service Disruption Categorization?	Category Description?	Projected Response Time?
[Rule .1209(3)(a)]	[Rule .1209(3)(b)]	[Rule .1209(3)(c)]

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1301 is proposed for adoption as follows:

**SECTION .1300 – APPLICATION FOR IN-PERSON ELECTRONIC NOTARIZATION SERVICES
 AUTHORIZATION**

18 NCAC 07J .1301 REQUIREMENTS FOR AUTHORIZATION TO PROVIDE IPEN SERVICES

An IPEN provider applicant shall meet requirements established in:

- (1) Article 2 of Chapter 10B of the General Statutes; and
- (2) the rules in this Subchapter, except:
 - (a) Section .0900; and
 - (b) Sections .1400-.2200.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1302 is proposed for adoption as follows:

18 NCAC 07J .1302 DURATION OF IPEN SOLUTION APPROVAL

The Department’s approval of an IPEN solution authorizes the IPEN solution provider to offer its solution to North Carolina notaries public for three years from the date of the approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1303 is proposed for adoption as follows:

18 NCAC 07J .1303 APPLICATION FORM FOR IPEN SERVICES

An IPEN provider applicant shall complete and submit the form described in 18 NCAC 07B .0423.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1304 is proposed for adoption as follows:

18 NCAC 07J .1304 IDENTIFICATION OF KEY INDIVIDUALS

An IPEN provider applicant shall list key individuals in its application by reference to:

- (1) the applicant’s organizational structure; and
- (2) the duties of its officers, directors, and employees.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1305 is proposed for adoption as follows:

18 NCAC 07J .1305 APPLICATION REQUIREMENTS FOR IPEN PROVIDER KEY INDIVIDUALS

An IPEN provider applicant shall provide to the Department the following information for each key individual identified pursuant to Rule .1304 of this Subchapter:

- (1) the information required by 18 NCAC 07B .0402(1);
- (2) the key individual's position title;
- (3) a nationwide criminal history record for a key individual residing in the United States that:
 - (a) includes applicable records from all United States jurisdictions;
 - (b) is prepared at the applicant's expense; and
 - (c) is issued no more than 90 days before the application date;
- (4) a criminal history record for a key individual residing outside the United States with:
 - (a) a nationwide criminal history record from their country of residence; and
 - (b) the nationwide criminal history record required by Item (3) of this Rule; and
- (5) a written statement by each key individual certifying under penalty of perjury:
 - (a) whether the criminal history record submitted is complete or incomplete; and
 - (b) that the key individual has provided the applicant with the information required by 18 NCAC 07B Section .0500, including submission of affidavits of moral character if applicable.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1306 is proposed for adoption as follows:

18 NCAC 07J .1306 FREQUENCY OF CRIMINAL HISTORY RECORD CHECKS FOR KEY INDIVIDUALS

Criminal history record checks for key individuals that are submitted by an IPEN provider applicant shall:

- (1) be valid for three years; or
- (2) be updated pursuant to 18 NCAC 07B .0505 and .0506.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1307 is proposed for adoption as follows:

18 NCAC 07J .1307 WHEN MORE FREQUENT CRIMINAL HISTORY RECORD CHECKS REQUIRED

An IPEN provider’s notice of changes pursuant to Item (2) of Rule .0203 of this Subchapter shall be made:

- (1) within the time set forth in Rule .0203 of this Subchapter; and
- (2) using the form specified in 18 NCAC 07B .0411.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1401 is proposed for adoption as follows:

SECTION .1400 – PLATFORM STANDARDS

18 NCAC 07J .1401 REQUIRED GENERAL PLATFORM FUNCTIONS

A platform provider shall integrate into its platform each of the following functions:

- (1) communication technology;
- (2) geolocation when a remotely located principal connects to the platform using a GPS-enabled device;
- (3) credential analysis;
- (4) identity proofing;
- (5) electronic journal;
- (6) electronic signature and seal; and
- (7) depository services.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1402 is proposed for adoption as follows:

18 NCAC 07J .1402 PLATFORM FUNCTIONS FOR TRADITIONAL NOTARY

(a) A platform provider shall allow a traditional notary public with whom it has a contract to:

- (1) use its platform to administer an oath or affirmation pursuant to G.S. 10B-134.9(d);
- (2) search, review, download, and print the notary's electronic journal entries, if any.

(b) A traditional notary may make an entry into an electronic journal offered by the platform only if the notary designates a custodian.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1403 is proposed for adoption as follows:

18 NCAC 07J .1403 PLATFORM SESSION RECORD FOR TRADITIONAL NOTARY

A platform provider shall create a session record for a notarial session in which a traditional notary makes a journal entry pursuant to Rule .1402 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1404 is proposed for adoption as follows:

18 NCAC 07J .1404 PLATFORM FUNCTIONS UNAVAILABLE TO TRADITIONAL NOTARY

A platform shall not allow a traditional notary public to:

- (1) create an electronic signature or seal for use in performing electronic or remote electronic notarial acts;
- (2) apply an electronic notary seal; or
- (3) perform a remote notarial act other than as provided in Rule .1402 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1405 is proposed for adoption as follows:

18 NCAC 07J .1405 REASONABLE ACCOMMODATION

A platform provider shall accommodate a principal with vision, hearing, or speech impairment using:

- (1) auxiliary aids;
- (2) interpreters or transliterators; or
- (3) CART captioning.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21;
10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1406 is proposed for adoption as follows:

18 NCAC 07J .1406 GEOLOCATION DETECTION

A platform provider shall detect whether any device used by a principal during the notarial transaction process is:

- (1) GPS-enabled; and
- (2) capable of geolocation at the time of the remote electronic notarial act.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21;
10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1407 is proposed for adoption as follows:

18 NCAC 07J .1407 GEOLOCATION COMMUNICATION TO NOTARY

A platform provider shall take the following steps after making the determination required by Rule .1406 of this Section:

- (1) communicate the location of the principal to the notary public by displaying it on a map; or
- (2) inform the notary that the principal:
 - (a) is not using a GPS-enabled device; or
 - (b) has disabled location services on a GPS-enabled device.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21;
10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1408 is proposed for adoption as follows:

18 NCAC 07J .1408 NOTICE OF IMAGE OR VOICE ALTERATION

A platform shall notify the notary if it detects that the image or voice of a remotely located principal has been altered, filtered, or simulated.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1409 is proposed for adoption as follows:

18 NCAC 07J .1409 PERSONAL KNOWLEDGE

A platform shall provide a means to bypass credential analysis and identity proofing functions if the traditional notary public or electronic notary public confirms that the principal is personally known to the notary.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1410 is proposed for adoption as follows:

18 NCAC 07J .1410 PLATFORM ACCOUNT CREATION FOR ELECTRONIC NOTARY

A platform provider shall create an account for an electronic notary public only after it:

- (1) confirms the electronic notary's identity by using approved credential analysis and identity proofing solutions;
- (2) receives the electronic notary's commission certificate and electronic notary registration certificate from the notary;
- (3) uses the Department's online database of notaries to:
 - (a) search for the electronic notary by commission name and number;
 - (b) verify:
 - (i) whether the electronic notary is in active status as an electronic notary;
 - (ii) the expiration date of the electronic notary's commission certificate; and
 - (iii) the county of the commissioning of the electronic notary;
- (4) documents the electronic notary's designated custodian;
- (5) acquires an image of the electronic notary's handwritten signature or arranges for the electronic notary to use its device to, by hand, electronically sign notarial certificates;
- (6) creates an image of the electronic notary's seal that complies with 18 NCAC 07F .0807;
- (7) provides to the Department an exemplar of:
 - (a) the electronic notary's signature; and

- (b) an image of the electronic notary's seal; and
- (8) receives confirmation of receipt of the electronic notary's signature and seal exemplars from the Department.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1411 is proposed for adoption as follows:

18 NCAC 07J .1411 PLATFORM ACCOUNT CREATION FOR TRADITIONAL NOTARY

A platform provider shall create an account for a traditional notary public only after it:

- (1) confirms the notary's identity by using approved credential analysis and identity proofing solutions;
- (2) receives the notary's commission certificate from the notary;
- (3) uses the Department's online database of notaries to verify:
- (a) whether the notary is in active status as a notary;
- (b) the expiration date of the notary's commission certificate; and
- (c) the county of the commissioning of the notary; and
- (4) documents the notary's designated custodian, if the notary will use the platform's electronic journal.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1412 is proposed for adoption as follows:

18 NCAC 07J .1412 CHANGES TO COMMISSION OR REGISTRATION CERTIFICATE PRESENTED TO PLATFORM

Upon receiving a commission certificate or electronic notary registration certificate that differs from that previously presented by a traditional notary public or an electronic notary public, the platform provider shall comply again with Rules .1410-.1411 of this Section, as applicable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1413 is proposed for adoption as follows:

18 NCAC 07J .1413 VERIFICATION OF NOTARY STATUS

When a traditional notary public or an electronic notary public initiates a notarial session, a platform shall use the Department’s notary public database to verify whether:

- (1) the notary public is in active status; and
- (2) if the notary is an electronic notary, whether the notary is in active status as an electronic notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1414 is proposed for adoption as follows:

18 NCAC 07J .1414 INABILITY TO VERIFY ELECTRONIC NOTARY STATUS

If a platform cannot verify that an electronic notary public is in active status as an electronic notary, the platform shall not allow the electronic notary to perform any remote electronic notarial acts other than oaths and affirmations pursuant to G.S. 10B-134.9(d).

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1415 is proposed for adoption as follows:

18 NCAC 07J .1415 PLATFORM ACCESS FOR NOTARY NOT IN ACTIVE STATUS

If, pursuant to Rule .1413 of this Section, a platform provider is unable to determine that a notary public is in active status, the platform:

- (1) shall not allow the notary to administer oaths or affirmations pursuant to G.S. 10B-134.9(d); and
- (2) shall allow the notary access to any of the notary’s existing journal entries on the platform depository to search, review, print, or download until the entries are transferred to a custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1416 is proposed for adoption as follows:

18 NCAC 07J .1416 VERIFICATION PRIOR TO REMOTELY ADMINISTERING JUDICIAL OATHS AND AFFIRMATIONS

After verifying the status of a notary public, a platform shall allow a traditional notary in active status or an electronic notary whose registration is not active but whose notary commission is active only to:

- (1) proceed with the session and administer oaths or affirmations pursuant to G.S. 10B-134.9(d);
- (2) create an electronic journal entry, if applicable; and
- (3) search, review, print, or download existing journal entries, if applicable.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1417 is proposed for adoption as follows:

18 NCAC 07J .1417 WHEN PROVIDER MAY RE-ENABLE FUNCTIONS

A platform provider may restore a notary's or electronic notary's privileges at any time after verifying through the Department's notary database that the notary or electronic notary is in active status.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1418 is proposed for adoption as follows:

18 NCAC 07J .1418 FORMAT OF SESSION RECORD

A platform shall render a session record tamper evident by:

- (1) preserving it in PDF/A format; and
- (2) signing the PDF/A with a verifiable digital certificate to indicate the platform from which the notarized electronic record originated and prevent further alteration.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1419 is proposed for adoption as follows:

18 NCAC 07J .1419 NOTARY COUNT OF NOTARIAL ACTS

(a) A platform shall require the notary public to enter the number of notarial acts performed during a notarial session.

(b) A platform shall not populate the entry field in Paragraph (a) of this Rule nor disclose its automatic tabulation of notarial acts to the notary public before the end of the notarial session.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1420 is proposed for adoption as follows:

18 NCAC 07J .1420 PLATFORM COUNT OF NOTARIAL ACTS

A platform provider shall automatically tabulate the number of notarial acts completed during each notarial session by:

- (1) tabulating the number of all journal entries associated with the session; and
- (2) subtracting from the number in Item (1) of this Rule:
 - (a) the number of journal entries for cancelled notarial transactions; and
 - (b) the number of supplemental journal entries.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1421 is proposed for adoption as follows:

18 NCAC 07J .1421 PLATFORM PROVIDER CALCULATION OF MONTHLY FEES REMISSION OWED TO THE DEPARTMENT

When a platform calculates the total amount of monthly fees owed to the Department, the platform shall multiply five dollars (\$5.00) per notarial act by the count of notarial acts entered pursuant to Rule .1419 of this Section by all notaries using the platform in the preceding calendar month.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1422 is proposed for adoption as follows:

18 NCAC 07J .1422 PLATFORM FEES INDEPENDENT OF NOTARY FEES PAID BY PRINCIPALS

A platform shall not deduct the five dollars (\$5.00) fees owed to the Department from fees paid by principals to notaries public pursuant to G.S. 10B-31.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1423 is proposed for adoption as follows:

18 NCAC 07J .1423 TIMING OF MONTHLY FEE REMISSION

A platform provider shall make the remittance pursuant to G.S. 10B-134.19(g) no later than 30 days after the calendar month for which fees shall be remitted.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1424 is proposed for adoption as follows:

18 NCAC 07J .1424 FEE REMISSION LOG

A platform provider shall submit a fee remission log to the Department summarizing its monthly fee remission.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1425 is proposed for adoption as follows:

18 NCAC 07J .1425 FEE REMISSION LOG CONTENTS

A platform's fee remission log shall include:

- (1) for each session record:
 - (a) the session record identifier;
 - (b) each journal entry identifier;
 - (c) whether the notarial acts were completed;
 - (d) whether the session record identifier applies to a supplemental journal entry;
 - (e) whether the session record identifier applies to administration of oaths or affirmations pursuant to G.S. 10B-134.9(d) for which no electronic journal entry was made;

- (2) the number of completed notarial acts for the month calculated pursuant to Rule .1419 of this Section;
- (3) the number of completed notarial acts for the month calculated pursuant to Rule .1420 of this Section; and
- (4) the total fee remitted to the Department pursuant to Rule .1421 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1426 is proposed for adoption as follows:

18 NCAC 07J .1426 FEE REMISSION LOG RETENTION

A platform provider shall maintain a copy of each fee remission log submitted to the Department for no less than five years.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1427 is proposed for adoption as follows:

18 NCAC 07J .1427 ADDITIONAL PLATFORM DISCLOSURES

Following the information required for the provider’s webpage by Rule .0608 of this Subchapter, a platform shall:

- (1) publish the information required by Rule .1428 of this Section or a link to it; and
- (2) display the information as required by Rule .1429 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1428 is proposed for adoption as follows:

18 NCAC 07J .1428 CONTENT OF ADDITIONAL PLATFORM DISCLOSURES

A platform’s additional disclosures pursuant to Rule .1427 of this Section shall include information regarding:

- (1) records retention:

- (a) whether the platform retains a copy of the notarized document upon conclusion of the notarial session and, if so, for how long; and
- (b) whether the platform retains the principal’s personal information upon conclusion of the notarial session and, if so, for how long;
- (2) devices for use with the platform:
 - (a) the electronic device types required for the principal to complete a notarial transaction. Note: Examples of such designations include “computer only,” “mobile device only,” “computer or mobile device,” or “computer and mobile device”; and
 - (b) the types of auxiliary aids that have been successfully tested with the platform. Note: Examples of auxiliary aids include screen reader software and magnification software;
- (3) availability:
 - (a) projected platform unavailability due to monthly scheduled maintenance;
 - (b) the business hours during which a customer support representative is available for consultation; and
 - (c) the average wait time during business hours for a response from a customer support representative;
- (4) the maximum number of remote connections that the platform can simultaneously support for a single notarial transaction; and
- (5) the platform provider’s technical issue resolution targets, which shall include:
 - (a) categorization of service disruptions based on a numeric scale or denoted by single words such as “critical,” “high,” “medium,” and “low;”
 - (b) a plain language description of each category; and
 - (c) the maximum projected response time for issues encountered in each category.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1429 is proposed for adoption as follows:

18 NCAC 07J .1429 PLATFORM DISCLOSURE FORMAT

A platform provider shall present the additional disclosures required by Rule .1427 of this Section in tabular form in the order shown in the table in this Rule:

- (1) add horizontal rows to the table of service disruption response times as needed to describe each category;
- (2) engineer the table as specified in the Department’s protocols to support accommodation pursuant to G.S. 10B-134.1(1); and

(3) replace the rule references with the provider’s response to the question in the first column.

[Insert Technology Provider Name]		
Platform Disclosures		
Does platform retain a copy of the notarized document?	[Rule .1428(1)(a) of this Section]	
Does platform retain principal’s personal information?	[Rule .1428(1)(b) of this Section]	
What devices may a principal use to complete a notarial transaction?	[Rule .1428(2)(a) of this Section]	
Which auxiliary aids have been successfully tested for use with the platform?	[Rule .1428(2)(b) of this Section]	
Projected monthly unavailability due to maintenance?	[Rule .1428(3)(a) of this Section]	
Customer support hours?	[Rule .1428(3)(b) of this Section]	
Average customer support response time?	[Rule .1428(3)(c) of this Section]	
Number of connections supported for a single notarial session?	[Rule .1428(4) of this Section]	
Unscheduled Service Disruption Response Times		
Service Disruption Categorization?	Category Description?	Projected Response Time?
[Rule .1428(5)(a) of this Section]	[Rule .1428(5)(b) of this Section]	[Rule .1428(5)(c) of this Section]

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1501 is proposed for adoption as follows:

SECTION .1500 – APPLICATION FOR PLATFORM LICENSURE

18 NCAC 07J .1501 PLATFORM LICENSURE REQUIREMENTS

A platform provider applicant shall establish through its application and demonstration that its platform meets all requirements established in:

- (1) Article 2 of Chapter 10B of the General Statutes;
- (2) the applicable provisions of the Department’s Protocols; and
- (3) the rules in this Subchapter except:
 - (a) Section .1100;
 - (b) Section .1200;
 - (c) Section .1300;
 - (d) Section .2000;
 - (e) Section .2100; and
 - (f) Section .2200.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1502 is proposed for adoption as follows:

18 NCAC 07J .1502 DURATION OF PLATFORM LICENSE

A platform license from the Department authorizes the platform provider to directly or indirectly offer its platform solution to North Carolina notaries public for one year from the date of its approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1503 is proposed for adoption as follows:

18 NCAC 07J .1503 APPLICATION FORM FOR PLATFORM LICENSE

An applicant for a platform license shall complete and submit the form described in 18 NCAC 07B .0424.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1504 is proposed for adoption as follows:

18 NCAC 07J .1504 IDENTIFICATION OF KEY INDIVIDUALS

A platform provider applicant shall list key individuals in its application by reference to:

- (1) the applicant's organizational structure; and
- (2) the duties of its officers, directors, and employees.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1505 is proposed for adoption as follows:

18 NCAC 07J .1505 APPLICATION REQUIREMENTS FOR PLATFORM KEY INDIVIDUALS

A platform provider applicant shall provide to the Department the following information for each key individual identified pursuant to Rule .1504 of this Subchapter:

- (1) the information required by 18 NCAC 07B .0402(1);
- (2) the key individual's position title;
- (3) the key individual's country of residence;
- (4) a nationwide criminal history record for a key individual residing in the United States that:
 - (a) includes applicable records from all United States jurisdictions;
 - (b) is prepared at the applicant's expense; and
 - (c) is issued no more than 90 days before the application date;
- (5) a criminal history record for a key individual residing outside the United States with:
 - (a) a nationwide criminal history record from their country of residence; and
 - (b) the nationwide criminal history record required by Item (4) of this Rule; and
- (6) written statement by each key individual certifying under penalty of perjury:
 - (a) whether the criminal history record submitted is complete or incomplete; and
 - (b) that the key individual has provided the applicant with the information required by 18 NCAC 07B Section .0500 including submission of affidavits of moral character if applicable.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1506 is proposed for adoption as follows:

18 NCAC 07J .1506 FREQUENCY OF CRIMINAL HISTORY RECORD CHECKS FOR KEY INDIVIDUALS

Criminal history record checks for key individuals that are submitted by a platform provider applicant shall:

- (1) be valid for three years; or
- (2) be updated pursuant to 18 NCAC 07B .0505 and .0506.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1507 is proposed for adoption as follows:

**18 NCAC 07J .1507 WHEN MORE FREQUENT CRIMINAL HISTORY RECORD CHECKS
REQUIRED**

A platform's notice of changes pursuant to Item (2) of Rule .0203 of this Subchapter shall be made:

- (1) within the time set forth in Rule .0203 of this Subchapter; and
- (2) using the form specified in 18 NCAC 07B .0411.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21;
10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1601 is proposed for adoption as follows:

SECTION .1600 – CREDENTIAL ANALYSIS STANDARDS

18 NCAC 07J .1601 SECTION DEFINITIONS

For the purposes of the rules in this Section:

- (1) “Credential verification false negative rate” means the number of authentic credentials that fail the credential analysis trial process divided by the number of authentic credentials tested.
- (2) “Credential verification false positive rate” means the total number of inauthentic or modified credentials that pass the credential analysis trial process divided by the number of inauthentic or modified credentials tested.
- (3) “Facial match false negative rate” means the number of times a credential is presented by the individual to whom the credential belongs, and fails the facial match test, divided by the number of tests in which the credential depicts the individual offering the credential.
- (4) “Facial match false positive rate” means the number of times a credential is presented by an individual to whom the credential does not belong and passes the facial match test, divided by the number of tests in which the credential does not depict the individual presenting the credential.
- (5) “Overall success rate” means:
 - (a) The sum of the number of tests in which the results are as set out in Sub-item (b) of this Item divided by the total number of tests presented to the solution.
 - (b) The tests to be summed for Sub-item (a) of this Item are the number of times the credential analysis solution accurately:
 - (i) verifies a credential and matches the credential to the individual to whom it belongs;
 - (ii) identifies an inauthentic or modified credential; and
 - (iii) identifies a credential that does not belong to the individual who presented the credential.

- (6) “System error rate” means the number of times the solution fails to complete the credential analysis process divided by the number of tests presented to the solution.
- (7) “Test” means a credential analysis solution evaluation of a credential pursuant to Rule .1606 of this Section.
- (8) “Trial” means an analysis of the performance of the credential analysis solution pursuant to Rule .1602 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1602 is proposed for adoption as follows:

18 NCAC 07J .1602 CREDENTIAL ANALYSIS SOLUTION – GENERAL

A credential analysis solution provider shall conduct a trial of its credential analysis solution pursuant to Rule .1603 of this Section before submitting its application for authorization.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1603 is proposed for adoption as follows:

18 NCAC 07J .1603 CREDENTIAL ANALYSIS SOLUTION TRIAL PROCESS

A credential analysis solution provider shall conduct, or have a third-party conduct, a trial of its solution by presenting the solution with no less than 100 subjects to be evaluated:

- (1) who are real individuals:
- (a) whose ages, races, and genders are proportionate to the population of North Carolina as established by the most recent United States decennial census; and
 - (b) at least 18 years old; and
- (2) with no less than:
- (a) 10% of the credentials presented being inauthentic or modified; and
 - (b) 10% of the credentials presented being authentic but not belonging to the individual depicted in the authentic credential with the individual presenting the credential being:
 - (i) of the same race and gender as the genuine owner of the credential; and
 - (ii) within five years of age of the individual depicted.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1604 is proposed for adoption as follows:

18 NCAC 07J .1604 EVALUATION OF CREDENTIAL ANALYSIS TRIAL

The results of a credential analysis trial shall describe:

- (1) the overall success rate of the trial;
- (2) the credential analysis verification false positive rate;
- (3) the credential analysis verification false negative rate;
- (4) the facial match false positive rate;
- (5) the facial match false negative rate; and
- (6) the system error rate.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1605 is proposed for adoption as follows:

18 NCAC 07J .1605 FREQUENCY OF CREDENTIAL ANALYSIS SOLUTION TRIALS

At least once every three years, a credential analysis solution provider shall:

- (1) conduct a trial of its approved solution to assess the reliability of the approved version of the credential analysis solution;
- (2) conduct a trial of the credential analysis solution in connection with a material change that is reported to the Department pursuant to Rules .0201 and .0202 of this Subchapter; and
- (3) update its disclosures pursuant to Rule .1611 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1606 is proposed for adoption as follows:

18 NCAC 07J .1606 CREDENTIAL ANALYSIS TEST

A credential analysis solution shall test a credential presented by an individual pursuant to Rule .1607 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1607 is proposed for adoption as follows:

18 NCAC 07J .1607 CREDENTIAL ANALYSIS

A credential analysis solution shall:

- (1) require the individual to:
 - (a) describe the type of credential being presented; and
 - (b) be in real-time, physical control of his or her credential at the time the credential is presented;
- (2) ensure that the credential complies with G.S. 10B-3(22)(a);
- (3) evaluate, in order to authenticate:
 - (a) the integrity of the visual, physical, and security features of the credential;
 - (b) whether the credential is fraudulent or modified;
 - (c) the validity of the credential in comparison to any available information published by the issuing source;
- (4) compare the photograph from the individual's authenticated credential to the individual's facial features;
- (5) use liveness detection technology if the individual is remotely located;
- (6) present the image of the individual's credential to the notary; and
- (7) comply with Rules .1607 and .1608 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1608 is proposed for adoption as follows:

18 NCAC 07J .1608 CREDENTIAL ANALYSIS OUTCOME

After the process described in Rule .1607 of this Section is concluded, the credential analysis solution shall provide the outcome of credential analysis testing:

- (1) of a principal, to a notary public prior to a notarial transaction; and
- (2) of a notary public to:
 - (a) an IPEN solution provider pursuant to Rule .1201 of this Subchapter; or

(b) a platform provider pursuant to Rules .1410 and .1411 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1609 is proposed for adoption as follows:

18 NCAC 07J .1609 NOTIFICATION OF IMAGE ALTERATION

A credential analysis solution shall:

- (1) detect whether the image of a remotely located principal, whether on screen or as presented on the credential, has been:
 - (a) altered;
 - (b) filtered; or
 - (c) simulated; and
- (2) notify the notary public if it finds alteration, filtering, or simulation of the image of the principal.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1610 is proposed for adoption as follows:

18 NCAC 07J .1610 VERIFICATION DATA CONFIDENTIAL

The credential analysis solution shall keep confidential all information specific to the notary public or the principal that is used or acquired during the credential analysis process.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1611 is proposed for adoption as follows:

18 NCAC 07J .1611 DATA STORAGE PROHIBITED FOR CREDENTIAL ANALYSIS SOLUTION

A credential analysis solution shall not store any data specific to the notary public or the principal that is acquired from the credential analysis process after the conclusion of the process.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1612 is proposed for adoption as follows:

18 NCAC 07J .1612 ADDITIONAL CREDENTIAL ANALYSIS DISCLOSURES

Following the information required by Rule .0608 of this Subchapter, a credential analysis solution provider shall:

- (1) publish the information required by Rule .1613 of this Section or a link to it; and
- (2) display the information as required by Rule .1614 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1613 is proposed for adoption as follows:

18 NCAC 07J .1613 CONTENT OF ADDITIONAL CREDENTIAL ANALYSIS DISCLOSURES

A credential analysis solution provider's additional disclosures pursuant to Rule .1612 of this Section shall include:

- (1) the results of the credential analysis solution trial required by Rule .1602 of this Section;
- (2) whether the trial of the credential analysis solution was performed by the solution provider or by a third party, and the name and contact information for the third party, if applicable;
- (3) the year in which the trial was conducted; and
- (4) for each type of electronic device that the individual presenting the credential may use to capture credential and facial images, the results of the credential analysis trial evaluation as required by Rules .1603 and .1604 of this Section.

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1614 is proposed for adoption as follows:

18 NCAC 07J .1614 CREDENTIAL ANALYSIS DISCLOSURE FORMAT

A credential analysis solution provider shall:

- (1) present the additional disclosures required by Rule .1611 of this Section in tabular form in the order shown in the table in this Rule;

- (2) place the results described in Rule .1604 of this Section in the table in this Rule in the appropriate location; and
- (3) engineer the table in this Rule as specified in the Department’s protocols to support accommodation pursuant to G.S. 10B-134.1(1).

[Insert Technology Provider Name] Credential Analysis Performance Disclosures		
Overall Success Rate: [result from Rule .1604(1)] %		
	Score	Number of Tests
Credential verification false positive rate:	[result from Rule .1604(2)] %	[divisor in Rule .1604(2) as defined at Rule .1601(2)]
Credential verification false negative rate:	[result from Rule.1604(3)] %	[divisor in Rule.1604(3) as defined at Rule .1601(1)]
Facial match false positive rate:	[result from Rule.1604(4)] %	[divisor in Rule .1604(4) as defined at Rule .1601(4)]
Facial match false negative rate:	[result from Rule.1604(5)] %	[divisor in Rule .1604(5) as defined at Rule .1601(3)]
System error rate:	[result from Rule .1604(6) as defined at Rule .1601(6)]	
Total number of credential analysis tests:	[divisor from Rule.1603]	
Entity conducting the credential analysis trial:	[See Rule.1613(2)]	
Year of credential analysis trial:	[See Rule .1613 (3)]	

History Note: Authority G.S. 10B-4; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1701 is proposed for adoption as follows:

SECTION .1700 APPLICATION FOR CREDENTIAL ANALYSIS AUTHORIZATION

18 NCAC 07J .1701 REQUIREMENTS FOR AUTHORIZATION TO PROVIDE CREDENTIAL ANALYSIS SERVICES

A credential analysis provider applicant shall meet requirements established in:

- (1) Article 2 of Chapter 10B of the General Statutes;
- (2) the applicable standards set forth in the Department’s Protocols; and
- (3) the rules in this Subchapter except:
- (a) Sections .0700-.1500; and
- (b) Sections .1800-.2200.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .1702 is proposed for adoption as follows:

18 NCAC 07J .1702 DURATION OF CREDENTIAL ANALYSIS APPROVAL

An approval from the Department of a credential analysis solution authorizes the credential analysis provider to directly or indirectly offer its credential analysis solution to North Carolina notaries public for three years from the date of its approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1703 is proposed for adoption as follows:

18 NCAC 07J .1703 APPLICATION FORM FOR CREDENTIAL ANALYSIS SERVICES

A credential analysis solution provider applicant for authorization of its credential analysis solution shall complete and submit the form described in 18 NCAC 07B .0425.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1801 is proposed for adoption as follows:

SECTION .1800 – IDENTITY PROOFING STANDARDS

18 NCAC 07J .1801 SECTION DEFINITIONS

For the purposes of the rules in this Section:

- (1) “Identity proofing false negative rate” means the total number of times authentic individuals fails the identity proofing process based on their own information, divided by the number of authentic individuals tested.
- (2) “Identity proofing false positive rate” means the total number of imposters that pass the identity proofing process divided by the number of imposters tested.
- (3) “Overall success rate” means:
 - (a) the sum of the number of tests in which the identity proofing solution:
 - (i) accurately verifies the identity of an individual; and

- (ii) accurately screens out an imposter; and
- (b) divided by the total number of tests presented to the solution.
- (4) “System error rate” means the number of times the identity proofing solution fails to process data needed to complete the identity proofing process, divided by the number of tests presented to the solution.
- (5) “Test” means an identity proofing solution evaluation of identity pursuant to Rule .1806 of this Section.
- (6) “Trial” means an analysis of the performance of the identity proofing solution pursuant to Rule .1802 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1802 is proposed for adoption as follows:

18 NCAC 07J .1802 IDENTITY PROOFING SOLUTION TRIAL – GENERAL

An identity proofing solution provider shall conduct a trial of its identity proofing solution pursuant to Rules .1803 and .1804 of this Section before submitting its application for authorization.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1803 is proposed for adoption as follows:

18 NCAC 07J .1803 IDENTITY PROOFING SOLUTION TRIAL PROCESS

An identity proofing solution provider shall conduct, or have a third-party conduct, a trial of its solution by presenting the solution with no less than 100 subjects to be evaluated:

- (1) who are real individuals:
 - (a) whose ages, races, and genders are proportionate to the adult population of North Carolina as established by the most recent United States decennial census; and
 - (b) at least 18 years old; and
- (2) with no less than 10% of the tests assessing imposters who attempt to complete the identity proofing process using the personal information of other individuals.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1804 is proposed for adoption as follows:

18 NCAC 07J .1804 EVALUATION OF IDENTITY PROOFING TRIAL

The results of an identity proofing solution trial shall describe:

- (1) the overall success rate of the trial;
- (2) the identity proofing false positive rate;
- (3) the identity proofing false negative rate; and
- (4) the system error rate.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1805 is proposed for adoption as follows:

18 NCAC 07J .1805 FREQUENCY OF IDENTITY PROOFING SOLUTION TRIALS

At least once every three years, an identity proofing solution provider shall:

- (1) conduct a trial of its approved solution to assess the reliability of the approved version of the identity proofing solution;
- (2) conduct a trial of the identity proofing solution in connection with a material change that is reported to the Department pursuant to Rules .0201 and .0202 of this Subchapter; and
- (3) update its disclosures pursuant to Rule .1812 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1806 is proposed for adoption as follows:

18 NCAC 07J .1806 IDENTITY PROOFING TEST

An identity proofing solution shall test the identity of individuals who present themselves to the solution pursuant to Rules .1807-.1809 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1807 is proposed for adoption as follows:

18 NCAC 07J .1807 IDENTITY PROOFING PROCESS USING KNOWLEDGE-BASED AUTHENTICATION

An identity proofing solution using knowledge-based authentication to comply with G.S 10B-134.11(a)(2)(b) shall:

- (1) require the remotely located individual to attempt an online quiz meeting the requirements of Item (2) of this Rule;
- (2) present a quiz to the remotely located individual that shall:
 - (a) consist of a minimum of five questions:
 - (i) related to the individual's personal history or identity; and
 - (ii) formulated from public or private data sources;
 - (b) have a minimum of five possible answer choices for each question;
 - (c) require the individual to submit all answers within two minutes;
 - (d) require at least 80% of the questions to be answered correctly in order to receive a passing score; and
- (3) inform the individual whether the quiz has been passed or failed, and if failed, of the option to retake the quiz pursuant to Rule .1808 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1808 is proposed for adoption as follows:

18 NCAC 07J .1808 RE-TAKING OF QUIZ BY INDIVIDUAL

An identity proofing solution using knowledge-based authentication to comply with G.S 10B-134.11(a)(2)(b) shall:

- (1) allow an individual who failed a first attempt to make a single subsequent attempt to pass the quiz if the attempt is initiated within one minute of the first failed quiz; and
- (2) ensure that at least 40% of the questions from the first quiz are replaced for the second quiz.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1809 is proposed for adoption as follows:

18 NCAC 07J .1809 NOTICE OF IDENTITY PROOFING METHODS AND OUTCOMES

After one or more identity-proofing tests are concluded, an identity proofing solution shall provide the methods and outcomes of all identity proofing tests:

- (1) for a principal, to a notary public prior to a notarial transaction; and
- (2) for a notary public to a technology solution provider pursuant to:
 - (a) Rule .1201 of this Subchapter; or
 - (b) Rules .1410 and .1411 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1810 is proposed for adoption as follows:

18 NCAC 07J .1810 VERIFICATION DATA CONFIDENTIAL

The identity proofing solution shall keep confidential all information specific to the notary public or the principal that is used or acquired during the identity proofing process.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1811 is proposed for adoption as follows:

18 NCAC 07J .1811 DATA STORAGE PROHIBITED FOR IDENTITY PROOFING SOLUTION

An identity proofing solution shall not store any data specific to the notary public or the principal that is acquired from the identity proofing process after the conclusion of the process.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1812 is proposed for adoption as follows:

18 NCAC 07J .1812 ADDITIONAL IDENTITY PROOFING DISCLOSURES

Immediately after the information required by Rule .0608 of this Subchapter, an identity proofing solution provider shall:

- (1) publish the information required by Rule .1813 of this Section; and
- (2) display the information as required by Rule .1814 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1813 is proposed for adoption as follows:

18 NCAC 07J .1813 CONTENT OF ADDITIONAL IDENTITY PROOFING DISCLOSURES

An identity proofing solution provider’s additional disclosures pursuant to Rule .1812 of this Section shall include:

- (1) the method of identity proofing used. Note: Examples of identity proofing methods may be described as biometric or knowledge-based authentication;
- (2) the results of the identity proofing solution trial required by Rule .1805 of this Section;
- (3) whether the trial of the identity proofing solution was performed by the solution provider or by a third party, and the name and contact information for the third party, if applicable; and
- (4) the year in which the trial was conducted.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1814 is proposed for adoption as follows:

18 NCAC 07J .1814 IDENTITY PROOFING DISCLOSURE FORMAT

An identity proofing solution provider shall:

- (1) present the additional disclosures required by Rule .1813 of this Section in tabular form in the order shown in the table in this Rule;
- (2) place the results described in Rule .1804 of this Section in the table in this Rule in the appropriate location; and
- (3) engineer the table in this Rule as specified in the Department’s protocols to support accommodation pursuant to G.S. 10B-134.1(1).

[Insert Technology Provider Name] Identity Proofing Performance Disclosures
--

Overall Success Rate: [result from Rule .1804(1)] %		
Method of Identity Proofing [<i>Insert method from Rule 18 NCAC .1813(1)</i>]		
	Score	Number of Tests
Identity proofing false positive rate:	[result from Rule .1804(2)] %	[divisor in Rule .1804(3) as defined in Rule .1801(2)]
Identity proofing false negative rate:	[result from Rule .1804(23)] %	[divisor in Rule .1804(2) as defined in Rule .1801(1)]
System error rate:	[result from Rule .1804(4)]	
Total number of identity proofing tests:	[divisor from Rule .1803]	
Entity conducting the identity proofing trial:	[See Rule .1803]	
Year of identity proofing trial:	[See Rule.1805]	

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1901 is proposed for adoption as follows:

SECTION .1900 – APPLICATION FOR IDENTITY PROOFING SOLUTION AUTHORIZATION

18 NCAC 07J .1901 REQUIREMENTS FOR AUTHORIZATION TO PROVIDE IDENTITY PROOFING SERVICES

An identity proofing provider applicant shall meet requirements established in:

- (1) Article 2 of Chapter 10B of the General Statutes;
- (2) applicable standards set forth in the Department’s Protocols; and
- (3) the rules in this Subchapter except:
 - (a) Sections .0700-.1700; and
 - (b) Sections .2000-.2200.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23; Eff. July 1, 2025.

18 NCAC 07J .1902 is proposed for adoption as follows:

18 NCAC 07J .1902 DURATION OF IDENTITY PROOFING APPROVAL

An approval from the Department of an identity proofing solution authorizes the identity proofing provider to directly or indirectly offer its identity proofing solution to North Carolina notaries public for three years from the date of its approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .1903 is proposed for adoption as follows:

18 NCAC 07J .1903 APPLICATION FORM FOR IDENTITY PROOFING SERVICES

An applicant for identity proofing services shall complete and submit the form described in 18 NCAC 07B .0426.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2001 is proposed for adoption as follows:

SECTION .2000 – CUSTODIAL SERVICES STANDARDS

18 NCAC 07J .2001 CUSTODIAN REQUIREMENTS

The rules in this Section apply to third-party custodians, and to IPEN solutions and platforms that are or become custodians.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2002 is proposed for adoption as follows:

18 NCAC 07J .2002 RECEIPT FROM CUSTODIAN TRANSFEREE

A custodian transferee shall create a receipt and provide it to the transferor confirming that:

- (1) the custodian has received from the depository or custodian transferor:
 - (a) one or more session records; and
 - (b) a copy of the session record logs associated with the session records; and
- (2) the session records and associated session record logs have been:
 - (a) received; and
 - (b) validated.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2003 is proposed for adoption as follows:

18 NCAC 07J .2003 AUTHENTICITY OF CUSTODIAN RECORDS

A custodian shall ensure each session record is stored unchanged upon receipt from a transferring depository or custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2004 is proposed for adoption as follows:

18 NCAC 07J .2004 NOTARY ACCESS TO SESSION RECORD FROM CUSTODIAN

A custodian shall allow a notary public to view, copy, print, and download any of the notary's session records in its possession within 48 hours of a request by the notary at no cost.

Note: This rule shall not apply to planned service outages for which notice is provided pursuant to Rule .0205 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2005 is proposed for adoption as follows:

18 NCAC 07J .2005 SEARCHABLE SESSION RECORDS

The custodian shall ensure that a notary public's session records may be searched by any field in Rule .1006 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2006 is proposed for adoption as follows:

18 NCAC 07J .2006 SESSION RECORD STORAGE LOCATIONS

A custodian shall maintain copies of each session record and session record log in two or more geographically separated data facilities.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2007 is proposed for adoption as follows:

18 NCAC 07J .2007 DURATION OF STORAGE FOR CUSTODIAN

Unless it transfers the session record to another custodian, a custodian shall not delete the record until a minimum of 10 years have elapsed since the last committed journal entry associated with that record, whether original or supplemental.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2008 is proposed for adoption as follows:

18 NCAC 07J .2008 TIME LIMIT FOR TRANSFER FROM CUSTODIAN

A custodian shall transfer a session record and associated session record log to another custodian designated by a notary public no later than 10 days from the earlier of:

- (1) receipt of a written request from the notary public to transfer the record; or
- (2) the expiration of the custodian’s contract with the notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2009 is proposed for adoption as follows:

18 NCAC 07J .2009 SESSION RECORD DELETION BY CUSTODIAN UPON TRANSFER

A custodian that transfers a session record to another custodian shall delete the record only after receiving confirmation from the custodian that the record has been:

- (1) accepted; and
- (2) validated.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2010 is proposed for adoption as follows:

18 NCAC 07J .2010 OPTIONAL EXTENDED RETENTION OF SESSION RECORDS

A custodian may preserve a session record longer than the retention time established by the rules in this Subchapter if:

- (1) the electronic notary public authorizes the extended retention period in writing; and
- (2) the electronic notary specifies the duration of the extended retention period.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2011 is proposed for adoption as follows:

18 NCAC 07J .2011 SESSION RECORD MARKED FOR EXTENDED RETENTION

A custodian shall provide a means to designate session records that are subject to mandatory retention pursuant to Rule .2012 of this Section.

History Note: Authority G.S. 10B-4; 10B-1. 06; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2012 is proposed for adoption as follows:

18 NCAC 07J .2012 MANDATORY EXTENDED RETENTION OF SESSION RECORD UPON NOTIFICATION

A custodian shall retain a session record longer than the time period identified by Rule .2007 of this Section:

- (1) if directed by the Department to retain the records pursuant to an investigation authorized by G.S. 10B-60; or

- (2) upon receipt of a legal notification requiring the custodian, notary, or principal to preserve the record.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2013 is proposed for adoption as follows:

18 NCAC 07J .2013 DELETION UPON EXPIRATION OF MANDATORY EXTENDED RETENTION

If a custodian is required to preserve a session record pursuant to Rule .2012 of this Section, the custodian shall not delete the record until:

- (1) the Department notifies the custodian that the investigation is concluded; or
(2) the custodian has no further legal obligation to preserve the record.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2014 is proposed for adoption as follows:

18 NCAC 07J .2014 DELETION OF SESSION RECORD ENTRY IN LOG

A custodian shall enter in the associated session record log the date that a session record is deleted.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2015 is proposed for adoption as follows:

18 NCAC 07J .2015 SESSION RECORD LOG RETENTION BY CUSTODIAN

Each session record log shall be retained by the custodian for no less than 15 years from the date of the notarial session that the entry describes.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2016 is proposed for adoption as follows:

18 NCAC 07J .2016 TRANSFER OF DEPOSITORY SESSION RECORD LOG BY CUSTODIAN

The depository session record log shall accompany each session record transferred by a transferor custodian to custodian transferee.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2017 is proposed for adoption as follows:

18 NCAC 07J .2017 CUSTODIAN ENTRY IN DEPARTMENT'S DATABASE

Upon validation pursuant to Rules .1012 and .2002 of this Subchapter, a custodian that is a transferee or a transferor shall update the Department's database with the following information:

- (1) the session identifier;
- (2) the four-digit identifying number assigned to the technology provider making the entry into the Department's database;
- (3) the four-digit identifying number assigned to the transferor;
- (4) for the transferee the four-digit identifying number assigned to the transferee custodian; and
- (5) the date and time of the transfer.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2018 is proposed for adoption as follows:

18 NCAC 07J .2018 NOTICE OF CESSATION OF CUSTODIAL SERVICES

A custodian shall provide 60 days of notice to its subscribers before it ceases to provide custodial services due to:

- (1) bankruptcy;
- (2) discontinuation of custodial services to North Carolina notaries public; or
- (3) going out of business.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .2019 is proposed for adoption as follows:

18 NCAC 07J .2019 CUSTODIAN CONTINUITY OF SERVICES

A custodian shall not discontinue its custodial services to North Carolina notaries public until all session records and associated session record log entries in its possession are transferred to the custodians designated by the notaries.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2020 is proposed for adoption as follows:

18 NCAC 07J .2020 ADDITIONAL CUSTODIAN DISCLOSURES

Immediately after the information required by Rule .0608 of this Subchapter, a custodial services provider shall:

- (1) publish the information required by Rule .2021 of this Section; and
- (2) format the information as required by Rule .2022 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2021 is proposed for adoption as follows:

18 NCAC 07J .2021 CONTENT OF ADDITIONAL CUSTODIAN DISCLOSURES

A custodian's additional disclosure pursuant to Rule .2020 of this Section shall include information regarding:

- (1) availability:
 - (a) projected time that the custodial services solution will be unavailable for use to the notary due to scheduled maintenance each month;
 - (b) the business hours during which a customer support representative is available for consultation; and
 - (c) the average wait time during business hours for a response from a customer support representative; and
- (2) the custodian's technical issues resolution targets, which shall include:
 - (a) categorization of service disruptions based on a numeric scale or denoted by single words such as "critical," "high," "medium," and "low";

- (b) a plain language description of each category; and
- (c) the maximum projected resolution time for issues encountered in each category.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2022 is proposed for adoption as follows:

18 NCAC 07J .2022 CUSTODIAN DISCLOSURE FORMAT

A custodian shall:

- (1) present the additional disclosures required by Rule .2020 of this Section in tabular form in the order shown in the table in this Rule;
- (2) place the results described in Rule .2021 of this Section in the table in this Rule in the appropriate location; and
- (3) engineer the table in this Rule as specified in the Department’s protocols to support accommodation pursuant to G.S. 10B-134.1(1).

[Insert Technology Provider Name]		
Custodian Disclosures		
Projected monthly maintenance downtime:	[Rule .2021(1)(a) of this Section]	
Customer support hours:	[See Rule .2021(1)(b) of this Section]	
Average customer support wait time:	[See Rule.2021(1)(c) of this Section]	
Service Disruption Response Times		
Category	Category Description	Projected Resolution Time
[See Rule .2021(2)(a) of this Section]	[See Rule .2021(2)(b) of this Section]	[See Rule.2021(2)(c) of this Section]

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2101 is proposed for adoption as follows:

SECTION .2100 – APPLICATION FOR CUSTODIAL SERVICES AUTHORIZATION

18 NCAC 07J .2101 REQUIREMENTS FOR AUTHORIZATION TO PROVIDE CUSTODIAL SERVICES

A custodial services applicant shall meet the requirements established in:

- (1) Article 2 of Chapter 10B of the General Statutes;
- (2) the applicable standards set forth in the Department’s Protocols; and
- (3) the rules in this Subchapter, except:
 - (a) Sections .0700-.1900; and
 - (b) Section .2200.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2102 is proposed for adoption as follows:

18 NCAC 07J .2102 DURATION OF CUSTODIAN APPROVAL

A custodial services solution approval authorizes the custodian to directly or indirectly offer its custodial services solution to North Carolina notaries public for three years from the date of its approval.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2103 is proposed for adoption as follows:

18 NCAC 07J .2103 APPLICATION FORM FOR CUSTODIAL SERVICES

A custodial services provider applicant shall complete and submit the form described in 18 NCAC 07B .0427.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2201 is proposed for adoption as follows:

SECTION .2200 – CUSTODIAL NOTARIES

18 NCAC 07J .2201 SCOPE

The rules in this Section shall apply only to an electronic notary public who self-designates as a custodial notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2202 is proposed for adoption as follows:

18 NCAC 07J .2202 CUSTODIAL NOTARY DEEMED APPROVED

A notary public shall be deemed to have applied and been approved as that notary's own custodian if the notary public:

- (1) complies with 18 NCAC 07H .0506; and
- (2) agrees in writing to comply with the rules of this Subchapter applicable to custodial notaries.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2203 is proposed for adoption as follows:

18 NCAC 07J .2203 CUSTODIAL NOTARY AS CUSTODIAN AND TECHNOLOGY PROVIDER

A custodial notary shall be deemed a custodian and technology provider subject to rules of this Chapter as specified in Rule .2204 of this Section.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2204 is proposed for adoption as follows:

18 NCAC 07J .2204 RULES APPLICABLE TO CUSTODIAL NOTARIES

A custodial notary shall comply with the following rules:

- (1) 18 NCAC 07H Section .0500;
- (2) Rules .0101, .0104, .0106-.0108, .0112, and .0115 of this Subchapter;
- (3) Rule .0208 of this Subchapter;
- (4) Rules .0611(1) and .0612 of this Subchapter; and
- (5) Rule .2007 of this Subchapter.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;

Eff. July 1, 2025.

18 NCAC 07J .2205 is proposed for adoption as follows:

18 NCAC 07J .2205 CUSTODIAL NOTARY SESSION RECORD STORAGE LOCATIONS

(a) A custodial notary shall maintain two copies of each session record and supplemental journal entry session record that shall not be stored on the same device.

(b) A custodial notary shall ensure that at least one of the two session record and supplemental journal entry session record copies is maintained in digital form.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2206 is proposed for adoption as follows:

18 NCAC 07J .2206 PROVIDING CUSTODIAL SERVICES AFTER ELECTRONIC NOTARY REGISTRATION TERMINATION

An electronic notary public may continue serving as a custodial notary for session records in the notary's possession after the termination of the notary's electronic notary registration so long as the individual continues to comply with the rules applicable to custodial notaries.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2207 is proposed for adoption as follows:

18 NCAC 07J .2207 EFFECT OF DISCIPLINARY ACTION ON SERVICE AS CUSTODIAL NOTARY

An electronic notary public shall not continue serving as a custodial notary if specifically prohibited by departmental disciplinary action.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2208 is proposed for adoption as follows:

18 NCAC 07J .2208 LIMITATION ON CUSTODIAL NOTARY AFTER REGISTRATION EXPIRATION

A former electronic notary public who is a custodial notary shall not take custody of additional session records after the electronic notary registration ends.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2209 is proposed for adoption as follows:

18 NCAC 07J .2209 CUSTODIAL NOTARY ANNUAL VERIFICATION FORM

A custodial notary shall annually:

- (1) verify that the electronic notary has complied with the rules in this Section applicable to custodial notaries; and
- (2) provide information regarding the electronic notary’s continuation of service as a custodial notary.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2210 is proposed for adoption as follows:

18 NCAC 07J .2210 SUBMISSION OF ANNUAL VERIFICATION

A custodial notary shall submit the form described in 18 NCAC 07B .0428 on or before December 31st of each year.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07J .2211 is proposed for adoption as follows:

18 NCAC 07J .2211 FINAL CUSTODIAL NOTARY VERIFICATION FORM

An electronic notary public’s obligations as a custodial notary cease when the electronic notary submits the form described in 18 NCAC 07B .0428 confirming that:

- (1) the required retention period for all session records in the custodial notary's possession has expired;
or
- (2) the custodial notary has transferred all session records to an approved custodian.

History Note: Authority G.S. 10B-4; 10B-106; 10B-125(b); 10B-126; 10B-134.15; 10B-134.17; 10B-134.19; 10B-134.21; 10B-134.23;
Eff. July 1, 2025.

18 NCAC 07K .0101 is proposed for amendment as follows:

18 NCAC 07K .0101 DEFINITIONS

For purposes of Chapter 10B of the General Statutes and the Rules in this Chapter:

- (1) "Approved" means that an applicant has been authorized by the Department to provide services as a technology provider in compliance with Chapter 10B of the General Statutes and the rules in this Chapter. Technology providers licensed by the Department are deemed approved.
- (2) "Armed Forces of the United States" means the persons described in 10 U.S.C. 101(a)(4) and G.S. 143B-1224(2), including their reserve components.
- (3) "Bank or financial institution" means a "depository institution" as defined in G.S. 53-208.42(7).
- (4) "Certificate of appointment" means a document issued by the Department notifying a Register of Deeds that:
 - (a) the named appointee is authorized to take the oath of office; and
 - (b) the Register of Deeds or designee shall provide the commission certificate to the notary public after:
 - (i) administering the oath of office to the appointee; and
 - (ii) signing of the certificate by both the Register of Deeds or designee, and the notary.
- (5) "Commission certificate" means the document confirming that an individual:
 - (a) has complied with all applicable requirements of Chapter 10B of the General Statutes and the rules in this Chapter; and
 - (b) is authorized to act as a notary public.
- (6) "Commit" means the ~~final step in the notarial act after which:~~ act of the electronic notary public to make complete and permanent:
 - (a) ~~the notarial act is complete;~~ affixing of the electronic notarial signature and electronic notary seal to an electronic record;
 - (b) ~~all entries are permanent; and the entry required by 18 NCAC 07D .0507;~~
 - (c) ~~no changes can be made to the entries made permanent pursuant to Sub Item (b) of this Item.~~ the electronic journal entry; and
 - (d) the communication technology recording.

- (7) "Dishonored payment" or "payment that has been dishonored" means money tendered to the Department by any means that is refused, rejected, or failed to be paid to the Department.
- (8) "Enter information" means to:
- (a) handwrite, type, or input data;
 - ~~(b)~~ ~~confirm that pre-populated words or numbers are correct. Note: An example would be clicking a checkbox to select the correct date;~~
 - ~~(c)~~(b) select or confirm applicable options from among offered options. Note: An example would be selecting "oath or affirmation" from a drop-down list of the types of notarial acts; or
 - ~~(d)~~(c) include in the electronic journal acknowledged signatures of:
 - (i) principals;
 - (ii) a designee of a principal; or
 - (iii) a credible witness.
- (9) "Federal business mileage rate" means the business mileage rate set by the U.S. Internal Revenue Service (IRS).
- (10) "Federally recognized Indian tribe" means a tribe on the list published in the Federal Register by the U.S. Secretary of the Interior pursuant to 25 U.S.C. 5131.
- (11) "File" means the date upon which a filing submitted to the Department is deemed complete by the Department. Note: "File" shall not mean that the Department has determined that the filer is qualified and will be appointed, registered, approved, or licensed.
- (12) "Filer" means a person that submits a filing to the Department.
- (13) "Filing" means a form or other document required or permitted to be filed with the Department pursuant to Chapter 10B of the General Statutes or the rules in this Chapter.
- (14) "Form" means a departmental data collection instrument that requires or requests information, without regard to the format.
- (15) "Form preparer" means an individual who enters information on a form:
- (a) at the direction of another; and
 - (b) without exercising independent judgment or discretion as to the content entered.
- (16) "Information technology" or "IT" means that term as defined in G.S. 143B-1320(a)(11).
- (17) "Information technology security" or "IT security" means the tools, techniques, and strategies used to protect the confidentiality, integrity, and availability of data, information systems, and digital assets from:
- (a) internal and external threats; and
 - (b) unauthorized access, use, disclosure, disruption, modification, or destruction.
- (18) "Initial appointment" means the first issuance by the Department of a commission certificate to a notary public.
- (19) "Instructor," "certified notary public instructor," "certified instructor," "notary instructor," and "certified notary instructor" mean a notary public who has complied with:

- (a) the requirements of G.S. 10B-14; and
 - (b) the rules in Subchapter 07E of this Chapter.
- (20) "Location" means a description establishing that a principal is present in a jurisdiction where the notarial act may take place. Note: A ~~statement~~ self-attestation pursuant to the rules in Subchapter 07H of this Chapter stating ~~that~~ the principal is then located inside the U.S. embassy in Paris, France, would suffice to establish the ~~principal is present in a jurisdiction where the notary act may take place.~~ principal's location.
- (21) "Long-term" means a period of at least one year.
- (22) "Notarial transaction process" includes:
- (a) steps before the notarial act takes place. Note: The interactions establishing the date and location of a notarial act, obtaining advance consent to travel fees, and the steps required by G.S. 10B-134.9(a) are examples of steps before the notarial act;
 - (b) the notarial act; and
 - (c) steps following the notarial act. Note: Affixing the notary's seal and signature are examples of steps following the notarial act.
- (23) "Person" means the term as defined in G.S. 12-3(6).
- (24) "State recognized tribe" means a group listed in G.S. 143B-407(a).
- (25) "Successfully complete" and "successful completion" mean that a notarial applicant has complied with Chapter 10B and the rules in this Chapter and has:
- (a) presented satisfactory evidence of identity as defined in G.S. 10B-3(22) or ~~be is~~ personally known as defined in G.S. 10B-3(17);
 - (b) attended a notarial course taught by a certified notary instructor; and
 - (c) achieved a passing grade on the course examination as described in G.S. 10B-8(a).
- (26) "Technological failure" means a deficiency in:
- (a) any component of the electronic ~~notarization system;~~ notary solution;
 - (b) any component of the computer systems of the notary or principals; or
 - (c) the connections linking the components described in Sub-Items (a) and (b) of this Item.
- For purposes of this Rule, "component of the electronic notary solution" means any combination of hardware, software, a notary public's electronic journal, and communications technology recordings.
- (27) "Technology provider" ~~means;~~ means the person providing a solution for:
- (a) IPEN;
 - (b) a platform;
 - ~~(b) a depository;~~
 - (c) ~~a custodial service;~~ or credential analysis;
 - (d) ~~an AVEN as defined in 18 NCAC 07F .0102(1);~~ identity proofing; or
 - ~~(e) custodial services.~~

- (28) "Termination of employment" means the cessation of permanent or temporary work for another, whether compensated or not, for any reason, including voluntary and involuntary cessation of work.
- (29) "Traditional notarization" means a notarial act in which:
- (a) there is personal appearance as defined in G.S. 10B-3(16); and
 - (b) one of the following occurs:
 - (i) a document is executed and notarized with ink signatures signed by hand ~~or facsimile stamp~~ and affixed with the physical notary seal as defined in G.S. 10B-3(23);
 - (ii) an oath or affirmation is administered without the execution of a document; or
 - (iii) a certificate for a safe deposit box inventory is prepared as described in G.S. 53C-6-13(a).
- (30) "Traditional notary public" means an individual commissioned to perform traditional ~~notarizations~~ notarizations and who has not been registered as an electronic notary public.
- (31) "Type of notarial act" means an acknowledgement, an oath or affirmation, verification or proof, inventory of an abandoned safe deposit box, or notarization of an absentee ballot.
- (32) "Under the exclusive control of the notary" means accessible by and attributable solely to the notary public to the exclusion of all other persons through being:
- (a) in the case of a physical seal:
 - (i) in the direct physical custody of the notary; or
 - (ii) physically secured; or
 - (b) in the case of an electronic seal or electronic signature, secured with one or more methods of authentication in an approved electronic ~~notarization system~~ notary solution.
- (33) "United States" or "U.S." means the term as defined in G.S. 12-3(11).

History Note: Authority G.S. 10B-4; 10B-14; 10B-36; 10B-38; 10B-106; 10B-125; 10B-126; 10B-134.15; 10B134.19; 10B-134.21;
 Eff. July 1, ~~2024~~ 2024;
 Amended Eff. July 1, 2025.