

**SUBJECT:** Validating out-of-state documents without notary public seals

**COMMITTEE:** Civil Practices — favorable, without amendment

**VOTE:** 9 ayes — T. Hunter, Hilbert, Alvarado, Culberson, Hartnett, Moffat, Sadler, Tillery, Zbranek  
0 nays

**WITNESSES:** None

**DIGEST:** HB 677 would allow the recording without a notary public seal of certain documents executed outside Texas. The bill would amend the Civil Practices and Remedies Code and the Property Code to create an exception for certificates of acknowledgement or proofs of written instruments executed in the United States, but outside Texas. Failure of a notary public to attach a seal to these instruments would render them invalid only if the state in which they were executed required the attachment of a seal.

HB 677 would also require the secretary of state to send all Texas county clerks a list of the states that do not require attachment of the seal. The list would be sent annually and updated as needed.

The bill would apply to the validity of an instrument on or after its effective date, without regard to when a document was created or when it was notarized. HB 677 would take immediate effect if approved by two-thirds of the membership of both houses.

**SUPPORTERS SAY:** HB 677 would help streamline the filing of certain out-of-state documents without adversely affecting Texas notaries. Texas law now requires that for certain routine documents to be recorded in Texas, the official seal of the notary must be attached to or stamped on the document. Many other states make no such requirement, which means that when Texans buy, sell, or lease property or sign other official documents outside of the state, the documents may lack a notary seal.

When a Texas resident attempts to file for the record in Texas an out-of-state document without a notary seal, the document is often rejected for lack of a seal. Texans then must obtain a seal from a special notary in the other state, at a greater cost than for normal certification.

Certain transactions, particularly oil and gas leases, may require separate documents for each owner or lessee, which may involve up to 200 documents. Current law creates a serious inconvenience in these cases. HB 677 would allow validation of only those documents made in states that do not require attached seals, which would create equal conditions for Texans and residents of those states.

The burden on the Secretary of State's Office would be minimal, and one the agency accepts without objection.

The special notaries that now are called on to provide seals reside in other states, so Texas notaries would not lose business as a result of this bill. Nor would the bill allow Texans to avoid a notary seal by going to a neighboring state: Arkansas, New Mexico and Oklahoma all require an attached seal, and Louisiana requires a seal if the document is to be recorded outside of Louisiana.

OPPONENTS  
SAY:

No apparent opposition.