

2017 Washington State Regular Legislative Session

Escrow Association of Washington

April 25, 2017

# 2017 Regular Legislative Session Adjourns Without A Budget Deal Again…

After 105 days in Olympia, state legislators failed to reach an agreement on the details of the state operating budget, and went home for the weekend. It’s no surprise to anyone who’s been around on the hill since January; is this even news? Yet, another lackluster performance on budget negotiations.

During the regular session each political party assigned blame for the absence of negotiations. The closely divided Senate (R’s by 1) blames the House. The closely divided House (D’s by 2) blames the Senate. Consequently, Governor Inslee has called the Legislature into a 30-day special session. And, if their past performance is an indicator of how well they negotiate, there will be likely more than one special session. In 2013 and 2015, they went into double overtime.

House Democrats are not going to get all the of the tax increases they seek. Senate Republicans are not going to suddenly roll over. By the same token, Senate Republicans cannot hope to satisfy the McCleary mandate of $3.8 billion dollars without more dedicated revenue or by shifting a complicated property tax decision to voters.

**SSB 5081 Notarial Act Revision** The Senate bill was amended in the House to accommodate requests made for changes during public testimony. The Senate did not concur with all the changes House made to the original content of the bill, so the House eventually receded to the Senate’s request. The bill is now substantially similar to RULONA. A few key provisions of the bill make the following changes to law:

* Strikes language requiring that an individual making a statement or executing a signature must do so "in the presence of" a notarial officer, and instead requires that the individual appear personally before the notarial officer per the language that is found in the 2010 RULONA recommended by the NCUSL.
* Provides an exception to the RULONA section regarding instances in which an individual is physically unable to sign a record for situations which are governed by RCW 64.08.100 (pertaining to acknowledgments of real property deeds and mortgages), which section already specifies a process for such situations.
* Provides, in two places, that neither the RULONA nor a commission as a notary public authorizes a person to provide court reporting services.
* A notary may obtain a license endorsement as an "electronic records notary public" from DOL.
* A notary may note a protest of a negotiable instrument only if the notary is licensed to practice law in this state, acting under the authority of a licensed attorney, or acting under the authority of a financial institution regulated by the state.
* Notaries may not notarize their own signature or the signature of in-laws or step-relatives.
* Notaries must compare the original document being notarized to a copy of the original document.
* Notary certificates must be in English or in a dual language format with one language being English.
* Provides minimum standards for receiving a commission, including optional provisions for surety bonds, examination of applicants, and maintenance of journals of notarial acts;
* The Director of DOL does not have authority to invalidate a notarial act.
* DOL must create and maintain an electronic database of licensed notaries.
* Differences in the bill as compared to RULONA are an exception from prohibited acts for limited license legal technicians acting within the scope of their license, and removal of DOL authority to require applicants and renewals to pass a course or exam.

**Effective date:** The bill takes effect on July 1, 2018.

# Bill Tracking Overview

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| **Bill #** | **Companion** | **Abbrev. Title** | **Status** | **Sponsor** | **Priority** | **Floor Vote** | **Dead** |
| [EHB 1450](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=1450) | [ESB 5629](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5629) | Title insurance rating orgs. | C 103 L 17 | Nealey | Monitoring | **House: 98-0**  **Senate:48-0**  **Gov signed** | **No** |
| [SSB 5031](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5031) | [SHB 1045](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=1045) | Uniform money services act | C 30 L 17 | Angel | Monitoring | **Senate: 48-0**  **House: 89-7**  **Gov signed** | **No** |
| [SSB 5081](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5081) |  | Uniform law on notarial acts | Del to Gov | Pedersen | Monitoring | **Senate: 48-1**  **House: 98-0;**  **Senate refuses House amendments;**  **House recedes: 94-2**  **Senate: 48-1**  **Delivered to Gov** | **No** |
| [SB 5125](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5125) | [HB 1137](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=1137) | Real estate/contractors | C 59 L 17 | Braun | Monitoring | **Senate: 48-0**  **House: 96-0**  **Gov signed** | **No** |

# Detailed Bill Summary

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| **Bill Details** | | **Status** | **Sponsor** | **Priority** | **Position** |
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| [**EHB 1450**](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=1450) **(ESB 5629)** | **Title insurance rating orgs.** | C 103 L 17 | Nealey | Monitoring |  |
| Creating and establishing the rights and duties for title insurance rating and advisory organizations. *Sponsors:* Nealey (Prime), Kirby, Vick *Summary:* HB 1450 - DIGEST Establishes a system by which title insurers may adopt a rating organization's form and rate filings in order to benefit consumers and entities purchasing, selling, or financing real property. *Comments:* WLTA supports the bill. | | | | |
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| [**SSB 5031**](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5031) **(SHB 1045)** | **Uniform money services act** | C 30 L 17 | Angel | Monitoring |  |
| Addressing licensing and enforcement provisions applicable to money transmitters and currency exchanges under the uniform money services act. *Sponsors:* Angel (Prime), Mullet *Summary:* Revises the uniform money services act with regard to licensing and enforcement provisions applicable to money transmitters and currency exchanges. *Comments:* Introduced at the request of the Department of Financial Institutions. | | | | |
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| [**SSB 5081**](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5081) | **Uniform law on notarial acts** | Del to Gov | Pedersen | Monitoring |  |
| Adopting the revised uniform law on notarial acts. *Sponsors:* Pedersen (Prime), Miloscia *Summary:* Adopts the revised uniform law on notarial acts. Repeals chapter 42.44 RCW (notaries public). *Comments:* WLTA testified in opposition to the language in Section 6. House amendment was adopted in committee to change the word "presence" to "personal appearance". | | | | |
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| [**SB 5125**](http://app.leg.wa.gov/billsummary?Year=2017&BillNumber=5125) **(HB 1137)** | **Real estate/contractors** | C 59 L 17 | Braun | Monitoring |  |
| Defining independent contractor relationships in the context of real estate licensing. *Sponsors:* Braun (Prime), Conway, Rossi, Wilson *Summary:* Provides a definition for "independent contractor relationship" for purposes of chapter 18.85 RCW (real estate brokers and managing brokers). *Comments:* | | | | |
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