

Electronic Signatures

Proposed Changes to the City of Houston Code of Ordinances

Purpose of Code Changes

- To update the Code to allow for further implementation of electronic signatures, including DocuSign use, and to align the City contract signature process with the Code.
- City of Houston, Texas, Ordinance No. 2018-0369 (passed and adopted May 2, 2018; effective May 8, 2018)
 - AN ORDINANCE AUTHORIZING THE USE OF ELECTRONIC SIGNATURES AND ELECTRONIC COMMUNICATIONS.
 - AP No. 8-6: Electronic signatures may be used by City departments and divisions to conduct transactions both internal and external to the City.

Process

- Identified candidate Code sections
- Identified stakeholders
- Departmental outreach and survey
- Departmental review and approval of proposed code changes

Global Changes

- Update Definitions
 - Electronic – add definition*
 - Electronic signature – add definition*
 - Writing – to include electronic format
 - Signature – to include electronic and digital signatures
 - City seal – to include electronic form, reproduction, or image
- Section 1-2 Rules of construction and definitions (Code of Ordinances/ Chapter 1- General Provisions)
- Section 2-81 Definitions (Code of Ordinances/ Chapter 2 – Administration/ Article IV. – City Records/ Division 3. – City Seal)
- *Language from Texas Uniform Electronic Transactions Act (Texas UETA).

Topical Changes - Overview

- Notarization
- Facsimile Signatures
- City Secretary Records
- Licenses
- Applications and Permits

Notarization

- Add rule of construction for “Notarization”;
- “Notarization” to include online and electronic notarization;
 - Online notarization: notarial act performed by means of two-way video and audio conference technology.
 - Electronic notarization: electronic signature of the person authorized to perform the notarial act is attached to or logically associated with the signature required to be notarized.
- To clarify that electronic or online notarization in compliance with applicable law satisfies the Code’s notary requirements.
- *“Notarization. Where notarization is required, an online notarization, as defined in Texas Government Code section 406.101, or electronic notarization in compliance with Texas Government Code section 406.026 or other applicable law satisfies notarization requirements.”*
- Section 1-2 Rules of construction and definitions (Code of Ordinances/ Chapter 1- General Provisions)

Facsimile Signatures

- Updating definition of “Facsimile Signatures” to include electronic facsimile signatures.
- “(a) *In general.* Subject to the provisions of this section, certain city officers are hereby authorized to cause certain documents to be executed, certified or endorsed by a facsimile signature. Such authorization is permissive; this section does not prohibit any such officer from using his or her ~~manual~~ signature. The process of affixing a facsimile signature of any given officer shall at all times remain under the direction and control of such officer.”
- Section 2-27 Facsimile signatures; facsimile seal (Code of Ordinances/ Chapter 2 – Administration / Article II. – Officers and Employees in General /Division 1. – Generally)

Facsimile Signatures, continued

- The requirement of an embossed impression of City seal expanded to allow for electronic affixation of the City seal.
- ““C” Means the facsimile signature is invalid unless the document to which it is affixed bears the embossed or electronic impression of the official seal of the city and an ~~manual~~-attesting signature of the secretary or an assistant city secretary.”
- Section 2-1001 Facsimile signatures (Code of Ordinances/ Chapter 2 – Administration / Article XXX. – Tables and Charts

City Secretary Records

- Modified to allow for the making and preserving of City Ordinances and Annexation Ordinances in electronic format stored or maintained in an electronic storage system.
- Section 2-70 Recording ordinances – Generally (Code of Ordinances/ Chapter 2 – Administration/ Article IV. – City Records/Division 2. – City Secretary)
- Section 2-71 Same – Annexation ordinances (Code of Ordinances/ Chapter 2 – Administration/ Article IV. – City Records/Division 2. – City Secretary)

Licenses

- Salesman license containing handwritten signature to be expanded to include electronic signature.
- “A license issued under this division shall contain a license number, the licensee’s social security number and his ~~handwritten~~ signature and the name of the licensee’s employer.”
- Section 8-85 Contents (Code of Ordinances/ Chapter 8 – Automotive Dealers and Auto Wreckers/ Article II. – Automotive Dealers/Division 3. – Salesman’s License)

Applications and Permits

- Removal of the reference to “typewritten or clearly printed” for license applications.
- Section 23-180 License issuance (Code of Ordinances/ Chapter 23 – Lake Houston/ Article VI. – Permits, Licenses, and Inspections)

Proposed Changes - Summary

- Definitions
 - Electronic
 - Electronic signature
 - Writing
 - Signature
 - City seal
- Notarization
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Next Steps

- Agenda Date