

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1690

By: Perry

AS INTRODUCED

An Act relating to state government; creating the Electronic Signature Act; stating legislative intent; defining terms; allowing the use of an electronic signature; stating effect of an electronic signature; authorizing the Secretary of State to establish an electronic signature certification program; authorizing the Secretary of State to impose certain fees and adopt rules; providing for participation in certification program; directing agencies to adopt certain control processes for electronic commerce; requiring the Secretary of State to study certain issues; requiring a report of findings and recommendations; stating contents of report; stating additional issues for the report; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8201 of Title 74, unless there is created a duplication in numbering, reads as follows:

This act may be cited and shall be known as the "Electronic Signature Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8202 of Title 74, unless there is created a duplication in numbering, reads as follows:

It is the intent of the Legislature that the Electronic Signature Act:

1. Facilitate economic development and efficient delivery of government services by means of reliable electronic messages;
2. Enhance public confidence in the use of electronic signatures;
3. Minimize the incidence of forged electronic signatures and fraud in electronic commerce;
4. Foster the development of electronic commerce through the use of electronic signatures to lend authenticity and integrity to writings in any electronic medium; and
5. Assure that proper management oversight and accountability are maintained for electronic commerce conducted by state agencies.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8203 of Title 74, unless there is created a duplication in numbering, reads as follows:

As used in the Electronic Signature Act:

1. "Writing" means handwriting, printing, typewriting and all other methods and means of forming letters and characters upon paper, stone, wood or other materials and shall include information which is created or stored in any electronic medium and is retrievable in perceivable form;
2. "Certificate" means a computer-based record which:
 - a. identifies the certification authority,
 - b. identifies the subscriber,
 - c. contains the subscriber's public key, and
 - d. is digitally signed by the certification authority;

3. "Certification authority" means a person who issues a certificate;

4. "Digital signature" means a type of electronic signature that transforms a message using an asymmetric cryptosystem such that a person having the initial message and the signer's public key can accurately determine:

- a. whether the transformation was created using the private key that corresponds to the signer's public key, and
- b. whether the initial message has been altered since the transformation was made;

5. "Key pair" means a private key and its corresponding public key in an asymmetric cryptosystem, under which the public key verifies a digital signature the private key creates;

6. "Asymmetric cryptosystem" means an algorithm or series of algorithms which provide a secure key pair; and

7. "Electronic signature" means any letters, characters, or symbols, manifested by electronic or similar means, executed or adopted by a party with the intent to authenticate a writing. A writing is electronically signed if an electronic signature is logically associated with such writing.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8204 of Title 74, unless there is created a duplication in numbering, reads as follows:

Unless otherwise provided by law, an electronic signature may be used to sign a writing and shall have the same force and effect as a written signature.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8205 of Title 74, unless there is created a duplication in numbering, reads as follows:

The Secretary of State shall have the authority to issue certificates for the purpose of verifying digital signatures, and to

take other actions as necessary to achieve the purposes of this act, including the suspension or revocation of certificates issued by the Secretary of State. The Secretary of State may impose a reasonable fee to cover the expenses associated with administering this section and shall adopt rules necessary to implement this section. Nothing in this section shall be construed to compel any public or private entity to participate in the certification program established by the Secretary of State as authorized in this section in order to verify digital signatures.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8206 of Title 74, unless there is created a duplication in numbering, reads as follows:

The administrative head or director of each state agency shall be responsible for adopting and implementing control processes and procedures to ensure adequate integrity, security, confidentiality, and auditability of business transactions conducted by the agency using electronic commerce.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 8207 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The Secretary of State shall study the issues related to expanding the use of digital signatures for electronic commerce purposes and shall report the findings and recommendations from the study to the State Data Processing and Telecommunications Advisory Committee created in Section 41.5n of Title 62 of the Oklahoma Statutes by July 1, 1998. The report shall address the following issues:

1. The licensing, certification, or registration of certification authorities doing business in this state;

2. The development of requirements for certification authorities to be licensed, certified, or registered in this state; and

3. Maintaining a publicly accessible database containing a certification authority disclosure record for each licensed, certified, or registered certification authority.

B. The report required by this section shall also address any other issues related to digital signatures which should be considered by the Legislature and shall recommend whether additional legislation on digital signatures is necessary to further electronic commerce in this state.

SECTION 8. This act shall become effective November 1, 1997.

46-1-5149

KB