

HOUSE OF REPRESENTATIVES
Thursday, February 18, 1999

Committee Substitute for House Bill No. 1411

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1411 -- By PERRY and DEUTSCHENDORF.

An Act relating to technology; amending Section 1, Chapter 308, O.S.L. 1998 (74 O.S. Supp. 1998, Section 5060.50), which relates to the electronic commerce pilot program; extending the reporting date for the pilot program; authorizing the Office of State Finance to implement and issue electronic signature certification authority; creating the Task Force on Electronic Commerce; stating purpose of Task Force; providing for membership; providing for continuing membership; stating duties; requiring certain report; providing for travel reimbursement, technical assistance and staffing; providing for noncodification; providing for codification; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 308, O.S.L. 1998 (74 O.S. Supp. 1998, Section 5060.50), is amended to read as follows:

Section 5060.50 A. The Oklahoma Legislature, recognizing the advancement of technology in commerce, hereby establishes a pilot program for the use of electronic commerce, including the use of digital signatures in state government. The pilot program will provide verifiable data on how electronic commerce and digital signatures can improve the internal services and operations of state government, and how it can enable and encourage the use of electronic commerce, including digital signatures, in transactions with business and commerce. The pilot program will limit risk and enable discovery and testing of procedures so that deployment across state government will progress smoothly. The pilot program shall include certain state agencies that will test the technology in government-to-government transactions and government-to-private-entity transactions.

B. The Office of State Finance shall be the coordinating agency for the pilot program. The Office of State Finance shall work with the state agencies participating in the program and acquire resources necessary for the pilot program. All resources acquired for the pilot program shall meet standards and procedures established by the Electronic Commerce Pilot Program Steering Committee.

C. There is hereby created the Electronic Commerce Pilot Program Steering Committee to oversee the pilot program. The Committee shall establish standards and procedures for using electronic commerce and for conducting the pilot program. The Committee shall study and incorporate, where appropriate, standards for digital signatures set by national organizations. The Committee shall consist of two members appointed by the Speaker of the House of Representatives, two members appointed by the President Pro Tempore of the Senate, one member appointed by the Governor and one member from each of the following agencies or offices:

1. The Department of Central Services;
2. The Secretary of State;
3. The Office of State Finance;
4. The Department of Commerce;
5. The Attorney General;
6. The State Auditor and Inspector;
7. The State Treasurer;
8. The Office of Personnel Management; and
9. The Oklahoma Tax Commission.

D. The Committee shall choose which state agencies will participate in the pilot program based on a determination made by the Committee of which agencies would enhance the pilot program.

E. The Committee shall evaluate the pilot program and file a report of its findings and recommendations by December 15, ~~1998~~ 1999, to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Governor.

F. Implementation of the pilot program shall be contingent upon the appropriation of funds for such purpose or the allocation of funds by participating agencies for such purpose. If funds are not appropriated or allocated for implementation of the pilot program the Committee may still meet to establish standards and procedures for using electronic commerce in state government.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5060.51 of Title 74, unless there is created a duplication in numbering, reads as follows:

The Office of State Finance in conjunction with the Department of Central Services is hereby authorized to implement electronic signature certification authority technology and to issue or cause to be issued certificates of authority for electronic or digital signatures used in conjunction with electronic business and commerce transactions in state government.

SECTION 3. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

A. There is hereby created to continue until June 1, 2000, the Task Force on Electronic Commerce. The purpose of the Task Force shall be to study the technology of and applications for electronic commerce and to prepare recommendations for legislative and other action needed to assure the availability and use of electronic commerce technology in the state.

B. The Task Force shall be composed of thirty-eight (38) members as follows:

1. The Secretary of State or designee;
2. The Director of State Finance or designee;
3. The Director of the Information Services Division of the Office of State Finance or designee;
4. The Attorney General or designee;
5. The Director of the Department of Central Services or designee;
6. The Director of the Oklahoma Department of Commerce or designee;
7. The Chancellor of the Oklahoma State Regents for Higher Education;
8. The Chief Justice of the Oklahoma Supreme Court or designee;
9. The Chair of the Evidence Code Committee for the Oklahoma Bar Association;
10. Two members of the House of Representatives appointed by the Speaker of the House of Representatives;
11. One member who represents a statewide association of professional engineers and architects to be appointed by the Speaker of the House of Representatives;
12. The Chair of the House of Representatives Banking Committee;

13. The Chair of the Senate Finance Committee;

14. The Chair of the House of Representatives Judiciary Committee;

15. The Chair of the Senate Judiciary Committee;

16. Two members of the Senate appointed by the President Pro Tempore of the Senate;

17. Two members who represent a business association to be appointed by the Governor;

18. Two members who represent the banking industry to be appointed by the Governor;

19. One member who represents a state banking association to be appointed by the President Pro Tempore of the Senate;

20. Two members who represent the insurance industry to be appointed by the Governor;

21. Two members of the Oklahoma Bar Association to be appointed by the Governor;

22. One member who represents large manufacturing businesses to be appointed by the Governor;

23. One member who represents small manufacturing businesses to be appointed by the Governor;

24. One member from a software or computer services business entity to be appointed by the Governor;

25. One member who represents the land title profession to be appointed by the Speaker of the House of Representatives;

26. Two members who represent the telecommunications industry to be appointed by the Speaker of the House of Representatives;

27. One member who represents a federal governmental agency with offices in Oklahoma to be appointed by the President Pro Tempore of the Senate;

28. Two members who represent vocational-technical education, one to be appointed by the Speaker of the House of Representatives and one to be appointed by the Governor; and

29. Two members at large, one to be appointed by the Speaker of the House of Representatives and one to be appointed by the President Pro Tempore of the Senate.

C. Members who were serving on the Task Force on Electronic Signature Technology as of February 1, 1999, shall automatically be appointed to serve on the Task Force on Electronic Commerce upon the effective date of this act.

D. Meetings shall be held at the call of the chairperson. The Task Force shall meet at such time as established by the chairperson.

E. The Task Force shall:

1. Study the technology of and applications for electronic commerce;
2. Review and compare electronic commerce legislation from other states;
3. Survey vendors which have developed technology for electronic commerce and review the available technology;
4. Study the cost of implementing and maintaining a state electronic signature certification program;
5. Make recommendations on an appropriate structure for a state electronic signature certification program; and
6. Make recommendations for implementing electronic commerce procedures for state agencies.

F. On or before January 1, 2000, the Task Force shall issue a final report of findings and recommendations to the Governor, the Legislature, each member of the Governor's cabinet and appropriate state agencies. The Task Force shall continue to meet until June 1, 2000, to continue to carry out the duties of the Task Force and make recommendations concerning any possible legislative action.

G. Members of the Task Force shall receive no compensation for serving on the Task Force, but shall receive travel reimbursement as follows:

1. Legislative members of the Task Force shall be reimbursed for their necessary travel expenses incurred in the performance of their duties in accordance with Section 456 of Title 74 of the Oklahoma Statutes from the legislative body in which they serve;

2. State agency employees who are members of the Task Force shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies in accordance with the State Travel Reimbursement Act; and

3. All other Task Force members shall be reimbursed by the Oklahoma Department of Commerce for travel expenses incurred in performance of their duties on the Task Force, in accordance with the State Travel Reimbursement Act.

H. As necessary to carry out its charge, the Task Force may seek technical assistance from specialists in electronic commerce technology.

I. Staffing for the Task Force shall be provided jointly by the Office of the Secretary of State and the Oklahoma Department of Commerce.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

COMMITTEE REPORT BY: COMMITTEE ON SCIENCE AND TECHNOLOGY, dated 2-17-99 -- DO PASS, As Coauthored.