

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 290

Short Title: Electronic Commerce Commission.

(Public)

Sponsors: Representatives Shubert; Clary and Reynolds.

Referred to: Rules, Calendar and Operations of the House.

February 20, 1997

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE LEGISLATIVE STUDY COMMISSION ON
ELECTRONIC COMMERCE.

The General Assembly of North Carolina enacts:

Section 1. Chapter 120 of the General Statutes is amended by adding a new
Article to read:

"ARTICLE 25.

"The Legislative Study Commission on Electronic Commerce.

**"§ 120-213. Creation and purpose of the Legislative Study Commission on
Electronic Commerce.**

The Legislative Study Commission on Electronic Commerce is established. The
commission shall determine the best means of developing electronic commerce in the
State.

"§ 120-214. Commission duties; reports.

(a) The Legislative Study Commission on Electronic Commerce shall examine the
development of electronic commerce in the State and evaluate the feasibility and
desirability of authorizing the use of digital signatures and establishing strict sanctions
and penalties regarding computer-related crimes as a means to facilitate the development
of electronic commerce. In its study, the commission shall:

(1) Review digital legislation, policies, and procedures of other states.

- 1 (2) Evaluate the current technological infrastructure of State government
2 and information systems use and needs in State government and
3 determine potential demands for additional information staff,
4 equipment, software, data communications, and consulting services in
5 State government during the next 10 years.
- 6 (3) Determine whether digital signature legislation will facilitate the
7 development of electronic commerce in the State and, if so, assist the
8 General Assembly in determining whether or not it is in the public
9 interest to:
- 10 a. Regulate the practices of certification authorities by requiring
11 certification authorities licensed to do business in the State to be
12 licensed, certified, or registered, and by regulating their practices.
- 13 b. Regulate the use of digital signatures in the public and private
14 sectors.
- 15 c. Prescribe the powers and duties of certain State and local
16 agencies and officials.
- 17 d. Establish penalties, remedies, and presumptions to provide for
18 collection on certain guarantees.
- 19 e. Provide reliance limits and liability.
- 20 f. Maintain a publicly accessible database containing a certification
21 authority disclosure record for each licensed, certified, or
22 registered certification authority.
- 23 (4) Study means to minimize the incidence of forged digital signatures and
24 fraud in electronic commerce.
- 25 (5) Conduct any other studies or evaluations the commission considers
26 necessary to effectuate its purpose.

27 (b) The commission may consult with the Information Resource Management
28 Commission on statewide technology strategies and initiatives and review all legislative
29 proposals and other recommendations of the Information Resource Management
30 Commission.

31 (c) The commission shall report by March 1 of each year to the Appropriations
32 Committees of the Senate and House of Representatives concerning the commission's
33 activities and findings and any recommendations for statutory changes.

34 **"§ 120-215. Commission membership; terms; organization; vacancies.**

35 The commission shall consist of 11 members as follows:

- 36 (1) Three members of the House of Representatives at the time of their
37 appointment, appointed by the Speaker of the House of Representatives.
- 38 (2) Three members of the Senate at the time of their appointment, appointed
39 by the President Pro Tempore of the Senate.
- 40 (3) Two members appointed by the Governor who are officials or
41 employees of State government agencies and who have knowledge and
42 experience regarding the filing and recording of corporate, real estate, or
43 court documents.

1 (4) Three members of the public, one of whom shall be appointed by the
2 Speaker of the House of Representatives, one of whom shall be
3 appointed by the President Pro Tempore of the Senate, and one of whom
4 shall be appointed by the Governor.

5 The members appointed to the commission from the public shall be chosen from
6 among individuals who have the ability and commitment to promote and fulfill the
7 purposes of the commission, including individuals who have expertise in the field of
8 computer technology or commercial transactions.

9 (b) Members of the commission shall serve a term of two years beginning on
10 January 15 of each odd-numbered year, with no prohibition against being reappointed,
11 except initial appointments shall be for terms as follows:

12 (1) The public members shall serve terms of three years.

13 (2) The members who are members of the General Assembly shall serve
14 terms of two years.

15 (3) The members who are appointed by the Governor, other than the public
16 member, shall serve terms of one year.

17 Initial terms shall commence on July 1, 1997.

18 (c) Members who are elected officials may complete a term of service on the
19 commission even if they do not seek reelection or are not reelected, but resignation or
20 removal from service constitutes resignation or removal from service on the commission.

21 (d) The Speaker of the House of Representatives and the President Pro Tempore of
22 the Senate shall each select a legislative member from their appointments to serve as
23 cochair of the commission.

24 (e) The commission shall meet at least once a quarter and may meet at other times
25 upon the joint call of the cochairs. A majority of the members of the commission shall
26 constitute a quorum for the transaction of business. The affirmative vote of a majority of
27 the members present at meetings of the commission shall be necessary for action to be
28 taken by the commission.

29 (f) All members shall serve at the will of their appointing officer. A member
30 continues to serve until the member's successor is appointed. A vacancy shall be filled
31 within 30 days by the officer who made the original appointment.

32 **"§ 120-216. Assistance; per diem; subsistence; and travel allowances.**

33 (a) The commission may contract for consulting services as provided by G.S. 120-
34 32.02. Upon approval of the Legislative Services Commission, the Legislative Services
35 Officer shall assign professional and clerical staff to assist in the work of the commission.
36 The professional staff shall include the appropriate staff from the Fiscal Research,
37 Research, and Legislative Drafting Divisions of the Legislative Services Office of the
38 General Assembly. Clerical staff shall be furnished to the commission through the offices
39 of the House of Representatives and Senate Supervisors of Clerks. The expenses of
40 employment of the clerical staff shall be borne by the commission. The commission may
41 meet in the Legislative Building or the Legislative Office Building upon the approval of
42 the Legislative Services Commission.

1 (b) Members of the commission shall receive per diem, subsistence, and travel
2 allowances as follows:

3 (1) Commission members who are members of the General Assembly, at
4 the rate established in G.S. 120-3.1.

5 (2) Commission members who are officials or employees of the State or of
6 local government agencies, at the rate established in G.S. 138-6.

7 (3) All other commission members, at the rate established in G.S. 138-5.

8 **"§ 120-217. Commission authority.**

9 The commission may obtain information and data from all State officers, agents,
10 agencies, and departments, while in discharge of its duties, under G.S. 120-19, as if it
11 were a committee of the General Assembly. The provisions of G.S. 120-19.1 through
12 G.S. 120-19.4 shall apply to the proceedings of the commission as if it were a joint
13 committee of the General Assembly. Any cost of providing information to the
14 commission not covered by G.S. 120-19.3 may be reimbursed by the commission from
15 funds appropriated to it for its continuing study.

16 **"§ 120-218. Commission subcommittees; noncommission membership.**

17 The commission cochairs may establish subcommittees for the purpose of making
18 special studies pursuant to its duties, and may appoint noncommission members to serve
19 on each subcommittee as resource persons. Resource persons shall be voting members of
20 the subcommittee and shall receive subsistence and travel expenses in accordance with
21 G.S. 138-5 and G.S. 138-6."

22 Section 2. This act is effective when it becomes law.