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By: **Delegate Petzold (Maryland Digital Signature Task Force) and Delegates Rosenberg, Mandel, Heller, and ~~Barve~~ Barve, Frank, Goldwater, and Walkup**

Introduced and read first time: February 5, 1998  
Assigned to: Economic Matters

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 3, 1998

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Digital Signature Pilot Program**

3 FOR the purpose of establishing a digital signature pilot program in State  
4 government; providing for ~~agency~~ participation in the program; authorizing  
5 certain agencies to establish procedures to allow for the use of digital signatures  
6 under certain circumstances; providing for the use of digital signatures under  
7 certain circumstances; requiring the Secretary of State to adopt certain  
8 regulations; requiring ~~a certain report~~ certain reports; defining certain terms;  
9 providing for the effective date of this Act; and generally relating to the creation  
10 of a digital signature pilot program.

11 BY adding to  
12 Article - State Government  
13 Section 8-504  
14 Annotated Code of Maryland  
15 (1995 Replacement Volume and 1997 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - State Government**

19 8-504.

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
21 INDICATED.

1 (2) "AGENCY" MEANS ANY DEPARTMENT, AGENCY, OFFICE, OR OTHER  
2 ~~UNIT OF STATE GOVERNMENT~~ OF GOVERNMENT THAT IS ESTABLISHED BY STATE  
3 LAW.

4 (3) "DIGITAL SIGNATURE" MEANS AN ELECTRONIC IDENTIFIER,  
5 CREATED BY A COMPUTER, THAT:

6 (I) IS INTENDED BY THE PARTY USING IT AUTHORIZED SIGNER TO  
7 HAVE THE SAME FORCE AND EFFECT AS THE USE OF A MANUAL SIGNATURE;

8 (II) IS UNIQUE TO THE AUTHORIZED SIGNER;

9 (III) IS CAPABLE OF VERIFICATION;

10 (IV) IS UNDER THE SOLE CONTROL OF THE AUTHORIZED SIGNER;

11 (V) IS LINKED TO DATA IN SUCH A MANNER THAT IF THE DATA ARE  
12 CHANGED, THE SIGNATURE IS INVALIDATED; AND

13 (VI) CONFORMS TO REGULATIONS ADOPTED BY THE SECRETARY OF  
14 STATE.

15 (4) "GOVERNMENTAL ENTITY" MEANS ANY DEPARTMENT, AGENCY, OR  
16 UNIT OF FEDERAL, STATE, OR LOCAL GOVERNMENT, INCLUDING THE DISTRICT OF  
17 COLUMBIA.

18 ~~(4)~~ (5) "PILOT" MEANS THE DIGITAL SIGNATURE PILOT PROGRAM.

19 (B) (1) THERE IS A DIGITAL SIGNATURE PILOT PROGRAM IN STATE  
20 GOVERNMENT.

21 (2) THE FOLLOWING AGENCIES MAY PARTICIPATE IN THE PILOT:

22 (I) THE SECRETARY OF STATE;

23 (II) THE STATE ARCHIVES;

24 (III) THE DEPARTMENT OF GENERAL SERVICES;

25 (IV) THE DEPARTMENT OF BUDGET AND MANAGEMENT; AND

26 (V) ANY OTHER AGENCY AUTHORIZED BY THE GOVERNOR.

27 (C) (1) ~~THE PROVISIONS OF THIS SECTION ONLY APPLY TO~~  
28 ~~COMMUNICATIONS WITHIN OR BETWEEN STATE AGENCIES~~ THIS SECTION APPLIES  
29 ONLY TO COMMUNICATIONS:

30 (I) WITHIN OR BETWEEN AGENCIES; OR

31 (II) BETWEEN AGENCIES AND GOVERNMENTAL ENTITIES.

1 (2) SUBJECT TO THE PROVISIONS OF THIS SECTION, ANY AGENCY  
 2 PARTICIPATING IN THE PILOT MAY ESTABLISH METHODS AND PROCEDURES TO  
 3 ALLOW FOR THE USE OF A DIGITAL SIGNATURE IN ANY COMMUNICATION IN WHICH  
 4 A SIGNATURE IS REQUIRED OR USED WITHIN THE AGENCY OR BETWEEN THE  
 5 AGENCY AND ANOTHER AGENCY OR GOVERNMENTAL ENTITY.

6 (3) THE USE OF A DIGITAL SIGNATURE UNDER THIS SECTION SHALL  
 7 HAVE THE SAME FORCE AND EFFECT AS THE USE OF A MANUAL SIGNATURE ~~IF AND~~  
 8 ~~ONLY IF IT EMBODIES ALL OF THE FOLLOWING ATTRIBUTES:~~

- 9 (I) ~~IT IS UNIQUE TO THE SIGNER USING IT;~~  
 10 (II) ~~IT IS CAPABLE OF VERIFICATION;~~  
 11 (III) ~~IT IS UNDER THE SOLE CONTROL OF THE SIGNER USING IT;~~  
 12 (IV) ~~IT IS LINKED TO DATA IN SUCH A MANNER THAT IF THE DATA~~  
 13 ~~ARE CHANGED, THE DIGITAL SIGNATURE IS INVALIDATED; AND~~  
 14 (V) ~~IT CONFORMS TO REGULATIONS ADOPTED BY THE SECRETARY~~  
 15 ~~OF STATE.~~

16 (4) NOTHING IN THIS SECTION SHALL REQUIRE AN AGENCY OR  
 17 GOVERNMENTAL ENTITY TO USE OR ~~PERMIT THE USE OF~~ ACCEPT A DIGITAL  
 18 SIGNATURE.

19 (D) (1) THE SECRETARY OF STATE SHALL ADOPT REGULATIONS TO  
 20 IMPLEMENT AND ADMINISTER A METHOD USED UNDER THE PILOT TO CONDUCT  
 21 AUTHENTICATED ELECTRONIC TRANSACTIONS USING DIGITAL SIGNATURES.

22 (2) THE USE OF A DIGITAL SIGNATURE UNDER THIS SECTION SHALL  
 23 CONFORM TO STATE REGULATIONS GOVERNING ELECTRONIC RECORDS ADOPTED BY  
 24 THE STATE ARCHIVES.

25 SECTION 2. AND BE IT FURTHER ENACTED, That the State agencies  
 26 participating in the digital signature pilot program shall submit an interim report to  
 27 the Governor and, subject to § 2-1246 of the State Government Article, to the General  
 28 Assembly by October 1, ~~1999~~ 1998 on the procedures developed for the use of digital  
 29 signatures and the experience and effectiveness of the pilot program. The State  
 30 agencies participating in the pilot program shall submit a final report to the Governor  
 31 and, subject to § 2-1246 of the State Government Article, to the General Assembly by  
 32 October 1, 1999.

33 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
 34 effect ~~October~~ June 1, 1998.

