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Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Information Technology - Commission**

3 FOR the purpose of establishing the Commission on Information Technology;
4 specifying the composition, appointment, terms, restrictions, and removal
5 procedures of the Commission members; specifying the powers and duties of the
6 Commission regarding Internet-related issues; requiring the Commission to
7 submit an annual report to the Governor and the General Assembly; and
8 generally relating to the nature and responsibilities of the Commission on
9 Information Technology.

10 BY adding to

11 Article - State Finance and Procurement
12 Section 3-707
13 Annotated Code of Maryland
14 (1995 Replacement Volume and 1998 Supplement)

15 Preamble

16 WHEREAS, In the past decade the Internet and related information technology
17 has rapidly overtaken traditional communications technologies and is now poised to
18 become a primary means of communication in education, business, health care, and
19 government; and

20 WHEREAS, The Internet raises a number of unique issues for the State of
21 Maryland, including how to facilitate both government and private electronic
22 commerce, how to protect the privacy of Internet users, and how to approach
23 Internet-related crimes; and

24 WHEREAS, The nature of the Internet is such that it is not amenable to
25 traditional state regulation and new approaches must be taken to deal with the issues
26 the Internet and related information technology raise, including promoting and
27 encouraging self-regulation; and

1 WHEREAS, In September 1998, the federal Internet Tax Freedom Act was
2 passed into law, which placed a temporary moratorium on certain types of Internet
3 taxes, in order to give both federal and state governments time to research and
4 develop comprehensive, consistent, and fair Internet taxation schemes; and

5 WHEREAS, In May 1998, Virginia established a Commission on Information
6 Technology to study Internet issues and develop new standards for regulating
7 Internet activities; and

8 WHEREAS, In December 1998, the Virginia Commission on Information
9 Technology released a report outlining the Virginia Internet Policy Act, a
10 comprehensive legislative scheme addressing Internet-related issues; and

11 WHEREAS, In order to remain competitive with other states in the fields of
12 education, business, and government services, Maryland must address issues raised
13 by the Internet, including user privacy, economic development utilizing the Internet,
14 protocols for government and commercial transactions utilizing the Internet, and
15 protocols for Internet crime; and

16 WHEREAS, Addressing these issues now will help prepare Maryland to meet
17 the business, educational, and governmental needs of the next century, which will be
18 dominated by the Internet and related information technology systems; now,
19 therefore,

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

22 **Article - State Finance and Procurement**

23 3-707.

24 (A) THERE IS A COMMISSION ON INFORMATION TECHNOLOGY.

25 (B) THE COMMISSION CONSISTS OF THE FOLLOWING 21 MEMBERS:

26 (1) THE EXECUTIVE DIRECTOR OF THE OFFICE OF INFORMATION
27 TECHNOLOGY, OR THE DIRECTOR'S DESIGNEE;

28 (2) THE SECRETARY OF THE DEPARTMENT OF BUSINESS AND
29 ECONOMIC DEVELOPMENT OR THE SECRETARY'S DESIGNEE;

30 (3) THE STATE SUPERINTENDENT OF EDUCATION OR THE
31 SUPERINTENDENT'S DESIGNEE;

32 (4) THE SECRETARY OF HIGHER EDUCATION OR THE SECRETARY'S
33 DESIGNEE;

34 (5) THE SECRETARY OF HEALTH AND MENTAL HYGIENE OR THE
35 SECRETARY'S DESIGNEE;

1 (6) THREE MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY
2 THE SPEAKER OF THE HOUSE;

3 (7) THREE MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY
4 THE PRESIDENT OF THE SENATE;

5 (8) ONE MEMBER OF PRIVATE INDUSTRY WHO SHALL REPRESENT
6 INTERNET SERVICE PROVIDERS, APPOINTED BY THE GOVERNOR;

7 (9) TWO MEMBERS OF PRIVATE INDUSTRY WHO SHALL REPRESENT
8 BUSINESSES, OTHER THAN INTERNET SERVICE PROVIDERS, THAT ENGAGE IN
9 INTERNET COMMERCE, APPOINTED BY THE GOVERNOR;

10 (10) THREE REPRESENTATIVES FOR INTERNET USERS AND INTERNET
11 CONSUMERS, APPOINTED BY THE GOVERNOR;

12 (11) THREE REPRESENTATIVES FROM THE HEALTH CARE INDUSTRY,
13 APPOINTED BY THE GOVERNOR; AND

14 (12) ONE REPRESENTATIVE FROM THE GENERAL PUBLIC WHO HAS
15 SIGNIFICANT INTERNET AND INFORMATION TECHNOLOGY EXPERIENCE, APPOINTED
16 BY THE GOVERNOR.

17 (C) THE TERM OF AN APPOINTED MEMBER IS 3 YEARS.

18 (D) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
19 SUCCESSOR IS APPOINTED AND QUALIFIES.

20 (E) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY
21 FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
22 QUALIFIES.

23 (F) THE GOVERNOR MAY REMOVE A MEMBER FOR:

24 (1) INCOMPETENCE OR MISCONDUCT; OR

25 (2) FAILURE TO REGULARLY ATTEND COMMISSION MEETINGS.

26 (G) FROM AMONG ITS MEMBERS, THE COMMISSION ANNUALLY SHALL ELECT
27 A CHAIRMAN.

28 (H) THE MANNER OF ELECTION OF OFFICERS SHALL BE AS THE COMMISSION
29 DETERMINES.

30 (I) THE CHAIRMAN MAY ESTABLISH SUBCOMMITTEES TO ASSIST IN THE
31 WORK OF THE COMMISSION.

32 (J) A QUORUM OF THE COMMISSION IS 11 MEMBERS.

33 (K) THE COMMISSION SHALL DETERMINE THE TIMES AND PLACES OF ITS
34 MEETINGS.

1 (L) A MEMBER OF THE COMMISSION:

2 (1) MAY NOT RECEIVE COMPENSATION FOR DUTIES PERFORMED AS A
3 MEMBER OF THE COMMISSION; BUT

4 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
5 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

6 (M) THE COMMISSION MAY EMPLOY A STAFF IN ACCORDANCE WITH THE
7 STATE BUDGET.

8 (N) IN ADDITION TO ANY OTHER POWERS GRANTED AND DUTIES IMPOSED BY
9 LAW, AND SUBJECT TO ANY RESTRICTIONS IMPOSED BY LAW, THE COMMISSION HAS
10 THE FOLLOWING POWERS AND DUTIES:

11 (1) STUDY EXISTING AND EMERGING INTERNET AND INFORMATION
12 TECHNOLOGY;

13 (2) DEVELOP STANDARDS AND MAKE RECOMMENDATIONS
14 CONCERNING INTERNET-BASED COMMERCE, INCLUDING THE FOLLOWING AREAS:

15 (I) ADVERTISING ON THE INTERNET;

16 (II) BANKING TRANSACTIONS ON THE INTERNET;

17 (III) BUSINESS TRANSACTIONS ON THE INTERNET;

18 (IV) TAXATION OF INTERNET-BASED COMMERCE; AND

19 (V) TAXATION OF INTERNET SERVICES;

20 (3) DEVELOP STANDARDS AND MAKE RECOMMENDATIONS
21 CONCERNING INTERNET USER PRIVACY, INCLUDING THE FOLLOWING AREAS:

22 (I) AVAILABILITY OF PERSONAL INFORMATION ON THE INTERNET;

23 (II) USE OF UNSOLICITED BULK E-MAIL;

24 (III) USE OF ENCRYPTION TECHNOLOGY; AND

25 (IV) USE OF FILTERS TO SCREEN OUT OBSCENE OR
26 OBJECTIONABLE MATERIAL;

27 (4) MAKE RECOMMENDATIONS CONCERNING INTERNET-BASED CRIME,
28 INCLUDING THE FOLLOWING AREAS:

29 (I) ON-LINE FRAUD;

30 (II) ON-LINE PORNOGRAPHY; AND

31 (III) ON-LINE DEFAMATION;

1 (5) MAKE RECOMMENDATIONS CONCERNING USE OF THE INTERNET IN
2 THE HEALTH CARE INDUSTRY, INCLUDING THE FOLLOWING AREAS:

3 (I) USE OF ON-LINE DATABASE FOR PATIENT MEDICAL HISTORY;
4 AND

5 (II) PROCESSING PAYMENT AND INSURANCE TRANSACTIONS
6 ONLINE; AND

7 (6) CONSIDER ANY OTHER PERTINENT ISSUES RELATING TO THE USE
8 OF THE INTERNET OR RELATED INFORMATION TECHNOLOGY.

9 (O) THE COMMISSION SHALL COORDINATE ITS EFFORTS WITH OTHER STATE
10 UNITS PERTAINING TO THE INTERNET OR OTHER INFORMATION TECHNOLOGY,
11 INCLUDING THE OFFICE OF INFORMATION TECHNOLOGY, THE OFFICE OF
12 TECHNOLOGY SUPPORT, AND THE TASK FORCE ON HIGH-SPEED NETWORK
13 DEVELOPMENT.

14 (P) THE COMMISSION SHALL CREATE AN ANNUAL REPORT DETAILING ITS
15 ACTIVITIES AND FINDINGS. THE COMMISSION SHALL PRESENT THIS REPORT TO THE
16 GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE
17 GENERAL ASSEMBLY.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 1999.