{deleted text} shows text that was in HB0470 but was deleted in HB0470S01.

inserted text shows text that was not in HB0470 but was inserted into HB0470S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Paul A. Cutler proposes the following substitute bill:

GOVERNMENT DIGITAL VERIFIABLE

RECORD AMENDMENTS

2023 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Paul A. Cutler

Senate Sponsor: { _______ <u>Kirk A. Cullimore</u>

LONG TITLE

General Description:

This bill {creates the Government Digital Verifiable Electronic Records Act}requires the Division of Technology Services to create a pilot program and provide recommendations for certain digital verifiable records.

Highlighted Provisions:

This bill:

- defines terms;
- establishes a governance structure;
- establishes the Government Digital Verifiable Credentials Commission; and
- → creates} and

- <u>requires the Division of Technology Services to:</u>
 - provide recommendations to government entities regarding digital verifiable records and credentials; and
 - <u>create</u> a pilot program for digital verifiable credentials.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

46-6-101, Utah Code Annotated 1953

46-6-201, Utah Code Annotated 1953

46-6-202, Utah Code Annotated 1953

† **63A-16-108**, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section $\frac{46-6-101}{63A-16-108}$ is enacted to read:

(CHAPTER 6. GOVERNMENT DIGITAL VERIFIABLE ELECTRONIC RECORDS ACT

Part 1. General Provisions

- - (1) As used in this {chapter} section:
 - (a) "Blockchain" means a distributed ledger of ordered electronic records that:
 - (i) is distributed across a network of computers;
 - (ii) utilizes technology to prevent the unauthorized alteration of electronic records; and
 - (iii) is mathematically verified.
- (b) "Chief information officer" means the chief information officer of the Division of Technology Services appointed under Section 63A-16-201.
- (c) "Commission" means the Government Digital Verifiable Credentials Commission created in Section 46-6-203.
- † (\frac{\dagger}{d}\b) "Digital record schema" means a description of the data fields and

tamper-evident technologies required to create a digital verifiable credential or digital verifiable record that can be registered on a {blockchain} distributed ledger technology.

- ((e)c) "Digital signature" means a tamper-evident, immutable, electronic seal that is equivalent in function and status to a notary seal issued by a government entity.
 - (ffd) "Digital verifiable credential" means a digital document that:
 - (i) attests to a fact;
 - (ii) is issued by a government entity;
 - (iii) can be mathematically verified; and
- (iv) conveys rights, privileges, and legal enforceability equivalent to the possession of a physical credential of the same type.
 - ({g}e) "Digital verifiable record" means a digital record that:
 - (i) is issued by a government entity or has been digitally signed by a government entity;
 - (ii) has a digital signature;
 - (iii) can be mathematically verified; and
- (iv) conveys rights, privileges, and legal enforceability equivalent to the possession of a physical record of the same type.
- (tht) "Distributed ledger" means a decentralized database that is maintained by the consensus of replicated, shared, and synchronized digital data.
- (i) "Executive director" means the executive director of the Department of Government Operations, appointed under Section 63A-1-105.
- † (fig) "Government entity" means:
 - (i) the state;
 - (ii) a state agency; or
 - (iii) a political subdivision of the state.
- ({k) "Issuer" means a government entity that has the authority to create, modify, revoke, archive, or destroy a government record.
- (I)h) "Government operations privacy officer" means the government operations privacy officer described in Section 67-1-17.
- (i) "State archivist" means the state archivist appointed under Section 63A-12-102.

 (m)i) "State privacy officer" means the state privacy officer described in Section 67-3-13.

(1) State registrar" means the state registrar of vital records appointed under Section 26-2-3.

{Section 2. Section 46-6-201 is enacted to read:
Part 2. Government Digital Verifiable Credentials Commission
46-6-201. Government Digital Verifiable Credentials Commission.
(1) There is created within the Department of Government Operations the Government
Digital Verifiable Credentials Commission.
(2) The commission shall be composed as follows:
(a) the chief information officer, who shall be chair of the commission;
(b) the chief information officer shall appoint one member who has experience in:
(i) blockchain technology;
(ii) distributed ledger technology; or
(iii) digital verifiable credentials and records technology;
(c) the state archivist shall appoint one member who has experience in:
(i) distributed ledger technology use in government records management; or
(ii) government digital verifiable credentials and records;
(d) the state privacy officer shall appoint one member who has experience in:
(i) blockchain technology privacy;
(ii) distributed ledger technology privacy; or
(iii) digital verifiable credentials and records technology privacy;
(e) the state registrar shall appoint one member who has experience in:
(i) blockchain technology use with vital records;
(ii) distributed ledger technology use with vital records; or
(iii) digital verifiable credentials and records with vital records; and
(f) the governor shall appoint two members as follows:
(i) one member representing political subdivisions, recommended by the Utah League
of Cities and Towns or by the Utah Association of Counties; and
(ii) one member from the private sector who has professional experience in the creation
or management of digital records.
(3) (a) Except as required by Subsection (3)(b), the appointers shall appoint each new
member or reappointed member to a four-year term.

(b) The designated appointers shall, at the time of appointment or reappointment, stagger the length of terms so that approximately half of the commission is appointed every two years. (4) A commission member may serve after the commission member's term expires until replaced. (5) When a vacancy occurs in the membership for any reason, a replacement shall be appointed for the unexpired term. (6) (a) A majority of the commission constitutes a quorum for the transaction of business. (b) The action of a majority of the quorum present constitutes an action of the commission. (7) (a) The commission shall meet at least once during each calendar quarter, with dates for the meeting chosen by the chair. (b) The chair shall provide notice to other commission members at least 10 working days before the meeting date. (8) A member may not receive compensation or benefits for the member's services but may receive per diem and travel expenses in accordance with: (a) Section 63A-3-106; (b) Section 63A-3-107; and (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and 63A-3-107. (9) The Department of Government Operations Division of Technology Services will provide support staff for administrative functions of the commission. Section 3. Section 46-6-202 is enacted to read: 46-6-202. Purpose, powers, and duties of the commission. (1) The purpose of the commission is to research and develop standards for government issued digital verifiable credentials and records. (2) The commission shall provide recommendations to government entities regarding: (a) appropriate digital record schemas that allow a government to issue a digital verifiable credential or record; (b) policies and procedures to protect the privacy of personal identifying information

maintained within distributed ledger programs;
(c) the manner and format in which an issuer may certify a document through
blockchain; and
(d) processes and procedures for the preservation, auditability, integrity, security, and
confidentiality of digital verifiable credentials and records.
(3) In researching and developing standards for government issued digital verifiable
credentials and records, the commission shall consult with:
(a) the Utah League of Cities and Towns;
(b) the Utah Association of Counties; and
(c) other state agencies.
(4) The commission shall report annually to the Government Operations Interim
Committee by October 31 on the commission's responsibilities described in Subsection (2).
Section 4. Section 63A-16-108 is enacted to read:
<u>63A-16-108.</u> Digital verifiable credential pilot program.
The Division of Technology Services shall:
({11}a) provide recommendations to government entities regarding:
(i) appropriate digital record schemas that allow a government to issue a digital
verifiable credential or record;
(ii) policies and procedures to protect the privacy of personal identifying information
maintained within distributed ledger programs;
(iii) the manner and format in which an issuer may certify a document through
blockchain; and
(iv) processes and procedures for the preservation, auditability, integrity, security, and
confidentiality of digital verifiable credentials and records,
(b) create a pilot program for the implementation of digital verifiable credentials {that
complies with recommendations from the Government Digital Verifiable Credentials
Commission created in Section 46-6-201;
(2) work with the Government Digital Verifiable Credentials Commission and
government entities to explore appropriate additional digital verifiable credentials
implementations; and
(3) by governmental entities; and

- (c) report to Government Operations Interim Committee by October 31, 2023, on the {progress towards the creation of the pilot program} duties described in {Subsection} Subsections ({1}2)(a) and (b).
- (3) In performing the duties described in Subsections (2)(a) and (b), the Division of Technology Services shall consult with:
 - (a) the state archivist;
 - (b) the state privacy officer;
 - (c) the government operations privacy officer;
 - (d) the state registrar;
 - (e) private industry professionals with relevant expertise;
 - (f) the Utah League of Cities and Towns; and
 - (g) an association of counties in the state.