

# SENATE BILL REPORT

## ESSB 5810

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As Passed Senate, March 5, 2015

**Title:** An act relating to the use, acceptance, and removal of barriers to the use and acceptance of electronic signatures.

**Brief Description:** Promoting the use, acceptance, and removal of barriers to the use and acceptance of electronic signatures.

**Sponsors:** Senate Committee on Government Operations & Security (originally sponsored by Senators Roach, Liias and Chase; by request of Office of Financial Management).

**Brief History:**

**Committee Activity:** Government Operations & Security: 2/16/15 [DPS].

Passed Senate: 3/05/15, 48-1.

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

**Majority Report:** That Substitute Senate Bill No. 5810 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Pearson, Vice Chair; Liias, Ranking Minority Member; Habib and McCoy.

**Staff:** Samuel Brown (786-7470)

**Background:** Digital Signatures. Digital signature encryption systems are used to both protect the confidentiality of an electronic document and authenticate its source. These systems operate on the basis of two digital keys, or codes, created by the person desiring to send encrypted messages. One key is the private key, which is known only to the signer of the electronic message, and the other is the signer's public key, which is given to individuals with whom the sender wishes to exchange the confidential or authenticated message. The public key is used to verify both that the message was signed by the person holding the private key and that the message itself was not altered during its transmission.

To verify the ownership of public keys, each public key is provided with a computer-based certificate of authenticity. These certificates are created by certification authorities, which guarantee that the public keys they certify belong to the people possessing the corresponding private keys.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Washington Electronic Authentication Act. On January 1, 1998, the Washington Electronic Authentication Act became effective, allowing the use of digital signature technology in electronic transactions and creating a process for licensing certification authorities.

**Summary of Engrossed Substitute Bill:** Use of Electronic Signatures by State Agencies. Unless otherwise provided by law or agency rule, state agencies may accept electronic signatures with the same force and effect as that of a signature affixed by hand. Each state agency may determine whether and to what extent it will create, generate, communicate, store, process, use, and rely upon electronic records and electronic signatures. A state agency is not required to send or accept electronic records or electronic signatures for an agency transaction.

The state Chief Information Officer (CIO) must establish standards, policies, or guidance for electronic submissions and signatures. The CIO's standards, policies, or guidance must take into account reasonable access and reliability for persons participating in governmental affairs and transactions. A state agency's policy or rule on electronic submissions and signatures must be consistent with policies established by the CIO. The CIO must establish a website that maintains, or links to, an agency's rules and policies for electronic records and signatures.

Miscellaneous Provisions. The requirement to sign an application for a chiropractic or dentistry license by hand is removed. A ballot measure sponsor may submit an affidavit to the Secretary of State by electronic means indicating that the sponsor is a registered voter. The statute allowing agencies to accept public works bids electronically is repealed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: Electronic transactions in state government have only been addressed on a bill-by-bill basis. This has created lots of confusion about when electronic signatures may be used, and this bill is intended to open up new types of transactions and harmonize state and federal law. We believe this is durable and meets the needs of state government and private sector. The proposed substitute reflects agreement with the Bar Association and Attorney General's Office that this bill will accomplish its intended purposes.

**Persons Testifying:** PRO: Scott Bream, Office of the CIO; Roselyn Marcus, Office of Financial Management.