Florida House of Representatives - 1997

CS/HB 957

By the Committee on Business Development & International Trade and Representatives Culp, Trovillion and Effman

1	A bill to be entitled
2	An act relating to electronic commerce;
3	amending s. 117.05, F.S.; specifying that
4	certain seals be used on "paper" documents;
5	creating s. 117.20, F.S.; providing
6	application; specifying "electronic
7	notarization"; providing for the Secretary of
8	State to provide commissions for notaries
9	public to perform electronic notarizations;
10	providing procedures; requiring notice of the
11	compromise of certain keys; providing for
12	suspension under certain circumstances;
13	amending s. 215.322, F.S.; providing for state
14	use of credit cards, charge cards, or debit
15	cards under certain circumstances; amending s.
16	282.20, F.S.; providing a definition; requiring
17	approval of the Office of Planning and
18	Budgeting for acceptance of any new customer
19	other than a state agency that will use more
20	than a specified percentage of the previous
21	year's revenue; eliminating the Technology
22	Resource Center data processing policy board;
23	creating s. 282.745, F.S.; authorizing the
24	Secretary of State to establish a voluntary
25	licensure program for private certification
26	authorities; providing for fees; providing for
27	rulemaking; authorizing the Secretary of State
28	to enter into reciprocity agreements with other
29	jurisdictions; amending s. 471.025, F.S.;
30	providing for electronic engineering seals and
31	digital signatures; prohibiting certain

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1 activities relating to digitally sealing or 2 signing documents; amending s. 471.033, F.S.; 3 providing for disciplinary action for illegal use of a digital signature; amending s. 4 472.025, F.S.; providing for electronic land 5 6 surveying and mapping seals; prohibiting 7 certain activities relating to digitally 8 sealing or signing certain documents; 9 authorizing the Secretary of State to 10 commission Florida international notaries; providing definitions; providing rulemaking 11 authority; authorizing the secretary to charge 12 13 fees; authorizing the use of authentication 14 methods by international notaries; providing 15 for effect of acts of international notaries; amending ss. 240.289 and 402.18, F.S., to 16 17 conform; repealing ss. 118.01, 118.02, 118.03, 18 and 118.04, F.S., relating to commissioners of 19 deeds; providing an effective date. 20 21 Be It Enacted by the Legislature of the State of Florida: 22 23 Section 1. Subsection (3) of section 117.05, Florida 24 Statutes, is amended to read: 25 117.05 Use of notary commission; unlawful use; notary 26 fee; seal; duties; employer liability; name change; 27 advertising; photocopies; penalties.--28 (3)(a) A notary public seal shall be affixed to all 29 notarized paper documents and shall be of the rubber stamp type and shall include the words "Notary Public-State of 30 31 Florida." The seal shall also include the name of the notary 2

public, the date of expiration of the commission of the notary 1 public, and the commission number. The rubber stamp seal must 2 be affixed to the notarized paper document in photographically 3 reproducible black ink. Every notary public shall print, type, 4 5 or stamp below his or her signature on a paper document his or 6 her name exactly as commissioned. An impression-type 7 impression type seal may be used in addition to the rubber 8 stamp seal, but the rubber stamp seal shall be the official 9 seal for use on a paper document notary public, and the impression-type impression type seal may not be substituted 10 therefor. 11 12 (b) Any notary public whose term of appointment 13 extends beyond January 1, 1992, is required to use a rubber 14 stamp type notary public seal on paper documents only upon 15 reappointment on or after January 1, 1992. 16 Section 2. Section 117.20, Florida Statutes, is created to read: 17 18 117.20 Electronic notarization.--(1) The provisions of ss. 117.01, 117.03, and 117.04, 19 20 117.05(1)-(14), 117.05(16), 117.105, and 117.107 apply to all 21 notarizations under this section except as set forth in this 22 section. 23 (2) An electronic notarization shall include the name of the notary public, exactly as commissioned, the date of 24 expiration of the commission of the notary public, the 25 26 commission number, and the notary's digital signature. 27 Neither a rubber stamp seal nor an impression-type seal is 28 required for an electronic notarization. 29 (3) Any notary public who seeks to perform electronic 30 notarizations and obtains certification authority, as defined 31 in s. 282.72(2), shall request an amended commission from the

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1 Secretary of State as set forth in s. 117.05(11). The Secretary of State shall issue an amended commission to the 2 notary public indicating that the notary is a subscriber to the certification authority identified in the notary's request 4 for an amended commission. After requesting an amended commission, the notary public may continue to perform notarial acts, but may not use his or her digital signature in the performance of notarial acts until receipt of the amended commission. Any fees collected from such amended commissions shall be used to fund the Secretary of State's administration of electronic notary commissions. (4) If the notary public's private key corresponding 12 13 to his or her public key has been compromised, the notary public shall immediately notify the Secretary of State in 15 writing of the breach of security and shall request the issuing certification authority to suspend or revoke the 16 17 certificate. 18 (5) Failure to comply with this section constitutes 19 grounds for suspension from office by the Governor. Section 3. Section 215.322, Florida Statutes, 1996 20 Supplement, is amended to read: 21 22 215.322 Acceptance of credit cards, charge cards, or 23 debit cards by state agencies, units of local government, and the judicial branch .--24 (1) It is the intent of the Legislature to encourage 26 state agencies, the judicial branch, and units of local 27 government to make their services more convenient to the 28 public and to reduce the administrative costs of government by 29 acceptance of payment by credit cards, charge cards, and debit 30 cards to the maximum extent possible.

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1 (2) (1) A state agency as defined in s. 216.011, or the 2 judicial branch, may accept credit cards, charge cards, or 3 debit cards in payment for goods and services upon recommendation of the Office of Planning and Budgeting and 4 5 with the prior approval of the Treasurer. 6 (3) (3) (2) The Treasurer shall adopt rules governing the 7 establishment and acceptance of credit cards, charge cards, or debit cards by state agencies or the judicial branch, 8 9 including, but not limited to, the following: 10 (a) Utilization of a standardized contract between the financial institution and the agency or judicial branch which 11 shall be developed by the Treasurer or approval by the 12 13 Treasurer of a substitute agreement. 14 (b)1. The types of revenue or collections that may be 15 subject to service fees or surcharges by the financial institution, vending service company, or credit card company. 16 17 Only taxes, license fees, tuition, and other statutorily 18 prescribed revenues may be subject to a service fee or 19 surcharge. Notwithstanding the foregoing, this section shall not be construed to permit surcharges on any other credit card 20 21 purchase in violation of s. 501.0117. 22 2. The minimum public disclosure requirements to 23 persons who elect to pay taxes, license fees, tuition, and other statutorily prescribed revenues by credit card which are 24 25 subject to a surcharge pursuant to this section. Any state 26 agency, unit of local government, or the judicial branch that 27 surcharges a person who pays by credit card shall be subject 28 to the minimum public disclosure requirements adopted by the 29 Treasurer pursuant to this subparagraph. 30 (b)(c) All service fees payable pursuant to this 31 section financial institutions when practicable shall be

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invoiced and paid by state warrant, or such other manner that
 is satisfactory to the Comptroller, in accordance with s.
 215.422.

4 (c)(d) Submission of information to the Treasurer
5 concerning the acceptance of credit cards, charge cards, or
6 debit cards by all state agencies or the judicial branch.

7 (4) (4) (3) The Treasurer is authorized to establish 8 contracts with one or more financial institutions or credit 9 card companies, or other entities that may lawfully provide such services, in a manner consistent with chapter 287, for 10 processing credit card, charge card, or debit card collections 11 for deposit into the State Treasury or another qualified 12 13 public depository. Any state agency, or the judicial branch, which accepts payment by credit card, charge card, or debit 14 15 card shall use at least one of the contractors established by the Treasurer unless the state agency or judicial branch 16 obtains authorization from the Treasurer to use another 17 18 contractor which is more financially advantageous to such state agency or the judicial branch. Such contracts may 19 20 authorize a unit of local government to use the services upon the same terms and conditions for deposit of credit card, 21 22 charge card, or debit card transactions into its qualified 23 public depositories.

(5) (4) A unit of local government, which term means a 24 municipality, special district, or board of county 25 26 commissioners or other governing body of a county, however 27 styled, including that of a consolidated or metropolitan 28 government, and means any clerk of the circuit court, sheriff, property appraiser, tax collector, or supervisor of elections, 29 is authorized to accept payment by use of credit cards, charge 30 cards, and bank debit cards for financial obligations that are 31

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owing to such unit of local government and to surcharge the 1 person who uses a credit card, charge card, or bank debit card 2 in payment of taxes, license fees, tuition, fines, civil 3 penalties, court-ordered payments, or court costs, or other 4 5 statutorily prescribed revenues an amount sufficient to pay the service fee charges by the financial institution, vending 6 7 service company, or credit card company for such services. A unit of local government shall verify both the validity of any 8 credit card or bank debit card used pursuant to this 9 subsection and the existence of appropriate credit with 10 respect to the person using the card. The unit of local 11 government does not incur any liability as a result of such 12 13 verification or any subsequent action taken. 14 (6)(5) Credit card account numbers in the possession 15 of a state agency, a unit of local government, or the judicial branch are confidential and exempt from the provisions of s. 16 119.07(1). 17 18 (7) Any action required to be performed by a state 19 officer or agency pursuant to this section shall be performed 20 within 10 working days after receipt of the request or be 21 deemed approved if not acted upon within that time. 22 (8) Nothing contained in this section shall be 23 construed to prohibit a state agency or the judicial branch from continuing to accept credit cards, charge cards, or debit 24 cards pursuant to a contract that was lawfully entered into 25 before the effective date of this subsection unless 26 27 specifically directed otherwise in the General Appropriations 28 Act. However, such contract shall not be extended or renewed 29 after the effective date of this subsection unless such 30 renewal and extension conform to the requirements of this 31 section.

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1 Section 4. Section 282.20, Florida Statutes, is 2 amended to read: 3 282.20 Technology Resource Center.--(1)(a) The Division of Information Services of the 4 5 Department of Management Services shall operate and manage the 6 Technology Resource Center. 7 (b) For the purposes of this section, the term: 8 1. "Department" means the Department of Management 9 Services. 10 "Division" means the Division of Information 2. Services of the Department of Management Services. 11 12 3. "Information-system utility" means a full-service 13 information-processing facility offering hardware, software, 14 operations, integration, networking, and consulting services 15 to state agencies. "Customer" means a state agency or other entity 16 4. 17 that is authorized to use the SUNCOM Network pursuant to this 18 chapter. 19 (2) The division and the Technology Resource Center 20 shall: 21 (a) Serve the department and other customers state 22 agencies as an information-system utility. 23 (b) Cooperate with the Information Resource Commission and with other customers state agencies to offer, develop, and 24 support a wide range of services and applications needed by 25 26 users of the Technology Resource Center. 27 (c) Cooperate with the Florida Legal Resource Center 28 of the Department of Legal Affairs and other state agencies to 29 develop and provide access to repositories of legal 30 information throughout the state. 31

1 (d) Cooperate with the Division of Communications of 2 the department to facilitate interdepartmental networking and 3 integration of network services for its customers state 4 agencies. 5 (e) Assist customers state agencies in testing and evaluating new and emerging technologies that could be used to 6 7 meet the needs of the state. (3) The division may contract with customers state 8 9 agencies to provide any combination of services necessary for 10 agencies to fulfill their responsibilities and to serve their 11 users. 12 (4) (4) (a) Acceptance of any new customer, other than a 13 state agency, which is expected to pay during the initial 12 months of use more than 5 percent of the previous year's 14 15 revenues of the data processing center shall be contingent upon approval of the Office of Planning and Budgeting in a 16 17 manner similar to the budget amendment process in s. 216.181. 18 There is created for the Technology Resource Center a data 19 processing policy board as provided in s. 282.313. (b) In addition to the members of the policy board 20 21 provided in s. 282.313, the following ex officio members are 22 appointed to the data processing policy board of the 23 Technology Resource Center: the Executive Director of the Information Resource Commission, the Director of the Division 24 25 of Communications of the Department of Management Services, 26 and the chair of the coordinating council to the Florida 27 Fiscal Accounting Management Information System, as created in 28 s. 215.96, or their respective designees. The ex officio 29 members provided in this subsection shall vote and serve in 30 the same manner as other policy board members. 31

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1 (5) The Technology Resource Center may plan, design, 2 establish pilot projects for, and conduct experiments with 3 information technology resources, and may implement enhancements in services when such implementation is 4 5 cost-effective. Funding for experiments and pilot projects 6 shall be derived from service revenues and may not exceed 5 7 percent of the service revenues for the Technology Resource 8 Center for any fiscal year. Any experiment, pilot project, 9 plan, or design must be approved by the data processing policy 10 board of the center. (6) Notwithstanding the provisions of s. 216.272, the 11 12 Technology Resource Center may spend the funds in the reserve 13 account of its working capital trust fund for enhancements to 14 center operations or for information technology resources. Any 15 expenditure of reserve account funds must be approved by the data processing policy board of the center. Any funds 16 17 remaining in the reserve account at the end of the fiscal year 18 may be carried forward and spent as approved by the policy 19 board. Section 5. Section 282.745, Florida Statutes, is 20 21 created to read: 22 282.745 Voluntary licensure.--23 (1) The Secretary of State may adopt, amend, or repeal 24 any rules as necessary, pursuant to chapter 120, to implement, enforce, and interpret the voluntary licensure of private 25 26 certification authorities. Such rules shall provide, at a 27 minimum, for: 28 (a) Licensing fees sufficient to support the licensing 29 program. 30 (b) Standards and requirements for voluntary 31 licensure.

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1 (c) Audit procedures and requirements to assure 2 program compliance. 3 (d) Insurance reserve or bonding requirements. (e) Procedures for license revocation and suspension 4 5 for failure to meet licensure requirements or for misconduct. 6 (2) No private certification authority shall be 7 required to obtain a license from the Secretary of State 8 pursuant to this section. 9 (3) The Secretary of State may also enter into 10 reciprocity agreements with other jurisdictions on behalf of this state to allow for the fullest possible recognition of 11 digital signatures executed under Florida law and the fullest 12 13 possible recognition of certification authorities licensed 14 under this section. 15 Section 6. Section 471.025, Florida Statutes, is 16 amended to read: 471.025 Seals.--17 18 (1) The board shall prescribe, by rule, a form of seal 19 to be used by registrants holding valid certificates of 20 registration. Each registrant shall obtain an impression-type 21 metal seal in the form aforesaid and may, in addition, 22 register his or her seal electronically in accordance with ss. 23 282.70-282.75. All final drawings, specifications, plans, reports, or documents prepared or issued by the registrant and 24 25 being filed for public record shall be signed by the 26 registrant, dated, and stamped with said seal. Such 27 signature, date, and seal shall be evidence of the 28 authenticity of that to which they are affixed. Drawings, 29 specifications, plans, reports, or documents prepared or 30 issued by a registrant may be transmitted electronically and 31 may be signed by the registrant, dated, and stamped 11

electronically with said seal in accordance with ss. 1 2 282.70-282.75. It is unlawful for any person to stamp or seal 3 any document with a seal after his certificate of registration has expired or been revoked or suspended, unless reinstated or 4 5 reissued. 6 (2) It is unlawful for any person to stamp, seal, or 7 digitally sign any document with a seal or digital signature after his or her certificate of registration has expired or 8 9 been revoked or suspended, unless such certificate of 10 registration has been reinstated or reissued.When the certificate of registration of a registrant has been revoked 11 or suspended by the board, it shall be mandatory that the 12 13 registrant, surrender his seal to the secretary of the board within a period of 30 days after the revocation or suspension 14 15 has become effective, surrender his or her seal to the 16 secretary of the board and confirm to the secretary the 17 cancellation of the registrant's digital signature in 18 accordance with ss. 282.70-282.75. In the event the 19 registrant's certificate has been suspended for a period of 20 time, his seal shall be returned to him upon expiration of the 21 suspension period. 22 (3) No registrant shall affix or permit to be affixed 23 his or her seal, or name, or digital signature to any plan, specification, drawing, or other document which depicts work 24 25 which he or she is not licensed to perform or which is beyond 26 his or her profession or specialty therein. 27 Section 7. Paragraph (j) of subsection (1) of section 28 471.033, Florida Statutes, is amended to read: 29 471.033 Disciplinary proceedings.--30 (1) The following acts constitute grounds for which 31 the disciplinary actions in subsection (3) may be taken: 12

1 (j) Affixing or permitting to be affixed his or her 2 seal, or his name, or digital signature to any final drawings, 3 specifications, plans, reports, or documents that were not prepared by him or her or under his or her responsible 4 5 supervision, direction, or control. Section 8. Section 472.025, Florida Statutes, is 6 7 amended to read: 472.025 Seals.--8 9 (1) The board shall prescribe, by rule, a form of seal 10 to be used by all registrants holding valid certificates of 11 registration, whether the registrants are corporations, partnerships, or individuals. Each registrant shall obtain an 12 13 impression-type metal seal in that form; and all final drawings, plans, specifications, plats, or reports prepared or 14 15 issued by the registrant in accordance with minimum technical 16 standards set by the board shall be signed by the registrant, dated, and stamped with his or her seal. This signature, 17 18 date, and seal shall be evidence of the authenticity of that 19 to which they are affixed. Each registrant may in addition 20 register his or her seal electronically in accordance with ss. 21 282.70-282.75. Drawings, plans, specifications, reports, or 22 documents prepared or issued by a registrant may be 23 transmitted electronically and may be signed by the registrant, dated, and stamped electronically with such seal 24 in accordance with ss. 282.70-282.75. It is unlawful for any 25 26 person to stamp or seal any document with a seal after his 27 certificate of registration has expired or been revoked or 28 suspended unless reinstated or reissued. 29 (2) It is unlawful for any person to stamp, seal, or 30 digitally sign any document with a seal or digital signature after his or her certificate of registration has expired or 31 13

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been revoked or suspended, unless such certificate of 1 registration has been reinstated or reissued.When the 2 3 certificate of registration of a registrant has been revoked or suspended by the board, the registrant shall, surrender his 4 5 seal to the secretary of the board within a period of 30 days 6 after the revocation or suspension has become effective, 7 surrender his or her seal to the secretary of the board and confirm to the secretary the cancellation of the registrant's 8 9 digital signature in accordance with ss. 282.70-282.75. In the event the registrant's certificate has been suspended for a 10 period of time, his or her seal shall be returned to him or 11 her upon expiration of the suspension period. 12 13 (3) No registrant shall affix or permit to be affixed his or her seal, or name, or digital signature to any plan, 14 15 specification, drawing, or other document which depicts work which he or she is not licensed to perform or which is beyond 16 17 his or her profession or specialty therein. 18 Section 9. (1) As used in this section, the term: 19 (a) "Authentication instrument" means an instrument 20 executed by a Florida international notary referencing this 21 section, which includes the particulars and capacities to act 22 of transacting parties, a confirmation of the full text of the 23 instrument, the signatures of the parties or legal equivalent thereof, and the signature and seal of a Florida international 24 notary as prescribed by the Florida Secretary of State for use 25 26 in a jurisdiction outside the borders of the United States. 27 (b) "Florida international notary" means a person who 28 is admitted to the practice of law in this state, who has 29 practiced law for at least 5 years, and who has been 30 commissioned by the Secretary of State as a Florida 31 international notary.

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1	(c) "Protocol" means a registry maintained by a
2	Florida international notary in which the acts of the Florida
3	international notary are archived.
4	(2) The Secretary of State shall have the power to
5	commission Florida international notaries.
6	(3) A Florida international notary is authorized to
7	issue authentication instruments for use in non-United States
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	jurisdictions and has the powers of a Commissioner of Deeds
9	under former ss. 118.01-118.02, Florida Statutes.
10	(4) The authentication instruments of a Florida
11	international notary shall not be considered authentication
12	instruments within the borders of the United States and shall
13	have no consequences or effects as authentication instruments
14	in the United States.
15	(5) The authentication instruments of a Florida
16	international notary shall be recorded in the Florida
17	international notary's protocol in a manner prescribed by the
18	Secretary of State.
19	(6) The Secretary of State may adopt rules
20	prescribing:
21	(a) The form and content of signatures and seals or
22	their legal equivalents for authentication instruments;
23	(b) Procedures for the permanent archiving of
24	authentication instruments;
25	(c) The charging of reasonable fees to be retained by
26	the Secretary of State for the purpose of administering this
27	section;
28	(d) Educational requirements and procedures for
29	testing applicants' knowledge of the effects and consequences
30	associated with authentication instruments in jurisdictions
31	outside the United States;
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1 (e) Procedures for the disciplining of Florida 2 international notaries, including the suspension and 3 revocation of commissions for misrepresentation or fraud regarding the Florida international notary's authority, the 4 5 effect of the Florida international notary's authentication 6 instruments, or the identities or acts of the parties to a 7 transaction; and 8 (f) Other matters necessary for administering this 9 section. 10 (7) The Secretary of State shall not regulate, discipline or attempt to discipline, or establish any 11 educational requirements for any Florida international notary 12 13 for, or with regard to, any action or conduct that would constitute the practice of law in this state. The Secretary 14 15 of State shall not establish as a prerequisite to the 16 commissioning of a Florida international notary any test 17 containing any question that inquires of the applicant's 18 knowledge regarding the practice of law in the United States. 19 (8) This section shall not be construed as abrogating the provisions of any other act relating to notaries public, 20 21 attorneys, or the practice of law in this state. 22 Section 10. Section 240.289, Florida Statutes, is 23 amended to read: 240.289 Credit card, charge card, or debit card use in 24 university system; authority.--The several universities in the 25 26 State University System are authorized, pursuant to s. 27 215.322, to enter into agreements and accept credit card, 28 charge card, or debit card payments as compensation for goods, services, tuition, and fees in accordance with rules 29 30 established by the Board of Regents. 31

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Section 11. Subsection (6) of section 402.18, Florida 1 2 Statutes, is amended to read: 402.18 Welfare trust funds created; use of .--3 (6) The department shall maintain accounts in the 4 5 welfare trust fund for the sale of goods, services, or 6 products resulting from sheltered workshop, activity center, 7 and agricultural project operations carried out in the 8 rehabilitation of the department's clients, each project being 9 accounted for separately in accordance with cost standards established by the department, but the cost of such projects 10 shall not include any wage or salary expenditures funded by a 11 12 general revenue appropriation applicable to such 13 rehabilitative activities. The cost of materials incorporated in such products sold, if funded by an appropriation of 14 15 general revenue, shall be restored to general revenue unallocated at the end of the fiscal year of sale from the 16 17 proceeds of such sales; provided, however, that the cost of 18 inventories on hand June 30, 1984, shall be accounted for as part of the working capital authorized for such activities. 19 20 The department may extend credit for the sale of products produced in such activities, and for those sales made for its 21 clients through its hobby shops, to purchasers of demonstrated 22 23 credit standing sufficient to warrant the amount of credit extended after prudent evaluation of information relating to 24 25 such credit standing. The department may obtain credit 26 reports from reputable credit reporting agencies to assure 27 prudence in the extending of credit, except when payment is 28 made by credit card, charge card, or debit card as authorized by s. 215.322. The department shall provide an allowance for 29 30 doubtful accounts for credit sales and record an expense in a like amount based on a good faith estimate, such provision 31

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1 being recorded as a cost of such sales. The net revenue after such provision shall be retained in the welfare trust fund and used only for the benefit of the department's clients for whom the trust fund was established. Section 12. Sections 118.01, 118.02, 118.03, and 118.04, Florida Statutes, are repealed. б Section 13. This act shall take effect upon becoming a law.