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HOUSE BILL 608

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Joe Mohorovic

AN ACT

RELATING TO ELECTRONIC RECORDS; PROVIDING FOR TECHNOLOGICAL
NEUTRALITY; CHANGING DEFINITIONS; PROVIDING BROAD RULE-MAKING
AUTHORITY; CHANGING RESPONSIBILITY FOR ELECTRONIC
AUTHENTICATION OF DOCUMENTS FROM THE SECRETARY OF STATE TO THE
INFORMATION TECHNOLOGY MANAGEMENT OFFICE; AMENDING AND
REPEALING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 14-15-2 NMSA 1978 (being Laws 1996, Chapter 11, Section 2, as amended) is amended to read:

"14-15-2. PURPOSE.--The purpose of the Electronic Authentication of Documents Act is to:

A. provide a centralized [public sector electronic registry for] technical approach to authenticating electronic documents [by means of a public and private key system];

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B. promote electronic commerce by eliminating
barriers resulting from uncertainties over signature
requirements and promoting the development of the legal and
business infrastructure necessary to implement secure
electronic commerce;
C. facilitate electronic filing of documents with
government agencies and promote efficient delivery of

government services by means of reliable, secure electronic

records and document transactions; [and]

- D. establish a coherent approach to rules and standards regarding the authentication [and integrity] of electronic records [that can serve as a model to be adopted by other states and help to promote uniformity among the various states]; and
- $\underline{\textbf{E.}} \quad \underline{\textbf{promote technological neutrality in electronic}} \\ \text{authentication.} \\ "$
- Section 2. Section 14-15-3 NMSA 1978 (being Laws 1996, Chapter 11, Section 3, as amended) is amended to read:
- "14-15-3. DEFINITIONS.--As used in the Electronic Authentication of Documents Act:
- [A. "archival listing" means entries in the register that show public keys that are no longer current;
- B.] A. "authenticate" means to ascertain the identity of the originator, verify the integrity of the electronic data and establish a link between the data and the .136005.1

ori gi nator;

2	[C. "certificate" means a record that at a
3	mi ni mum:
4	(1) identifies the certification authority
5	issuing it;
6	(2) names or otherwise identifies its
7	subscriber or the device or electronic agent under the control
8	of the subscriber;
9	(3) contains a public key under the control
10	of the subscriber;
11	(4) specifies the public key's operational
12	peri od; and
13	(5) is signed with a digital signature by the
14	certification authority issuing it;
15	D. "digital signature" means a type of electronic
16	signature created by transforming an electronic record using a
17	message digest function and encrypting the resulting
18	transformation with an asymmetric cryptosystem using the
19	signer's private key so that any person having the initial
20	untransformed electronic record, the encrypted transformation
21	and the signer's corresponding public key can accurately
22	determine whether the transformation was created using the
23	private key that corresponds to the signer's public key and
24	whether the initial electronic record has been altered since

the transformation was made;

E.] B. "document" means [any] an identifiable
collection of words, letters or graphical knowledge
representations, regardless of the mode of representation.
"Document" includes correspondence, agreements, invoices,
reports, certifications, maps, drawings and images in both
electronic and hard copy formats;
[F.] C. "electronic authentication" means the
electronic signing of a document that establishes a verifi

electronic signing of a document that establishes a verifiable link between the originator of a document and the document by means of optical, electrical, digital, magnetic, electromagnetic, wireless, biological, a public key and private key system or other technology providing similar capabilities;

[G. "key pair" means, in a public and private key system, a private key and its corresponding public key that can verify an electronic authentication created by the private key;

II. "message digest function" means an algorithm that maps or translates the sequence of bits comprising an electronic record into another generally smaller set of bits, referred to as the message digest, without requiring the use of any secret information, such as a key, and with the result that an electronic record yields that same message digest every time the algorithm is executed using the electronic record as input and it is computationally unfeasible for two

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5	documentation]
6	[J.]
7	document electr
8	[K.]
9	entity, includi
10	
11	association, cl
12	joint venture o
13	
14	unit or subdivi
15	instrumentality
16	[L
17	sequence used t
18	known only to i
19	used to create
20	M.
21	sequence used t
22	is the part of
23	N.
24	hardware, soft w
25	fallowing nurne

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electronic records to be found or deliberately generated to

produce the same message digest using the algorithm unless the

two records are precisely identical;

I.] <u>D.</u> "office" means the [office of electronic documentation] information technology management office;

[J.] E. "originator" means the person who signs a document electronically;

[K.] F. "person" means [any] an individual or entity, including:

- (1) an estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture or syndicate; and
- (2) any federal, state or local governmental unit or subdivision or any agency, department or anstrumentality thereof;

[L. "private key" means the code or alphanumeric sequence used to encode an electronic authentication that is known only to its owner and that is the part of a key pair used to create a digital signature;

M "public key" means the code or alphanumeric sequence used to decode an electronic authentication and that is the part of a key pair used to verify a digital signature;

N. "public and private key system" means the hardware, software and firmware provided by a vendor for the following purposes:

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2	pai rs;
3	(2) to produce a record abstraction by means
4	of a message digest function;
5	(3) to encode a signature block and a record
6	abstraction or an entire document;
7	(4) to decode a signature block and a record
8	abstraction or an entire document; and
9	(5) to verify the integrity of a document;
10	0. "register" means a system for storing and
11	retrieving certificates or information relevant to
12	certificates, including information relating to the status of
13	a certificate;
14	P. "revocation" means the act of notifying the
15	secretary that a public key has ceased or will cease to be
16	effective after a specified time and date;
17	Q. "secretary" means the secretary of state;
18	$rac{R.}{}$] $rac{G.}{}$ "signed" or "signature" means $[rac{any}{}]$ $rac{a}{}$
19	symbol executed or adopted or $[\frac{any}{a}]$ <u>a</u> security procedure
20	employed or adopted using electronic means or otherwise, by
21	or on behalf of a person with the intent to authenticate a
22	record; <u>and</u>
23	H. "technological neutrality" means the methods
24	selected to carry out electronic authentication that do not
25	require or accord greater legal status or effect to the

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implementation or application of a specific technology or

technical specification for performing the functions of

creating, storing, generating, receiving, communicating or

authenticating electronic records or electronic signatures."

Section 3. Section 14-15-5 NMSA 1978 (being Laws 1996, Chapter 11, Section 5) is amended to read:

"14-15-5. [REGULATIONS] RULES. --

- A. The [secretary] information technology commission shall adopt [regulations] rules and standards to accomplish the purposes of the Electronic Authentication of Documents Act.
- B. The [regulations] rules shall address [the following matters:
 - (1) registration of public keys;
 - (2) revocation of public keys; and
- (3) reasonable public access to the public keys maintained by the office.
- C. The regulations may address the following matters:
- (1) circumstances under which the office may reject an application for registration of a public key;
- (2) circumstances under which the office may cancel the listing of a public key; and
- (3) circumstances under which the office may reject an attempt to revoke registration of a public . 136005.1

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key] circumstances under which standards other than adopted standards may be used."

Section 4. Section 14-15-6 NMSA 1978 (being Laws 1996, Chapter 11, Section 6) is amended to read:

"14-15-6. CONTRACTING SERVICES.--The [secretary]
office may contract with a private, public or quasi-public organization for the provision of services under the Electronic Authentication of Documents Act. A contract for services shall comply with [regulations] rules adopted pursuant to the Electronic Authentication of Documents Act and the provisions of the Public Records Act and the Procurement Code."

Section 5. REPEAL. -- Section 14-15-4 NMSA 1978 (being Laws 1996, Chapter 11, Section 4) is repealed.

Section 6. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2001.

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