

State of Wisconsin



1997 Assembly Bill 811

Date of enactment: **June 30, 1998**
Date of publication*: **July 14, 1998**

1997 WISCONSIN ACT 306

AN ACT *to repeal* 16.855 (23); *to renumber* chapter 137; *to amend* 20.575 (1) (g), 137.01 (4) (a) and 990.01 (38); *to create* chapter 137 (title), subchapter II of chapter 137 [precedes 137.04] and 224.30 of the statutes; and *to affect* 1997 Wisconsin Act 204, section 96 (1) (c), 1997 Wisconsin Act 204, section 96 (1) (d) (intro.), 1., 2. and 3. and 1997 Wisconsin Act 204, section 96 (1) (e) (intro.) and 1.; **relating to:** authorizing the use of electronic signatures and creating a committee to study the use and regulation of electronic signatures in this state, requests for proposals for electric generating capacity and requiring the exercise of rule-making authority.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 16.855 (23) of the statutes, as created by 1997 Wisconsin Act 27, is repealed.

SECTION 2. 20.575 (1) (g) of the statutes, as affected by 1997 Wisconsin Act 35, is amended to read:

20.575 (1) (g) *Program fees.* The amounts in the schedule for the purpose of carrying out general program operations. Except as provided under par. (ka), all amounts received by the secretary of state, including fees under ~~chs. ch.~~ 132 and ~~subch. I of ch.~~ 137 and all moneys transferred from the appropriation under s. 20.144 (1) (g), shall be credited to this appropriation. Notwithstanding s. 20.001 (3) (a), any unencumbered balance at the close of a fiscal year exceeding 10% of that fiscal year's expenditures under this appropriation shall lapse to the general fund.

SECTION 3. Chapter 137 (title) of the statutes is created to read:

CHAPTER 137 AUTHENTICATIONS

SECTION 4. Chapter 137 of the statutes, as affected by 1997 Wisconsin Act 27, is renumbered subchapter I of chapter 137 [precedes 137.01].

SECTION 5. 137.01 (4) (a) of the statutes is amended to read:

137.01 (4) (a) Every official act of a notary public shall be attested by the notary public's written signature or electronic signature, as defined in s. 137.04 (2).

SECTION 6. Subchapter II of chapter 137 [precedes 137.04] of the statutes is created to read:

CHAPTER 137 SUBCHAPTER II ELECTRONIC SIGNATURES

137.04 Definitions. In this subchapter:

(1) "Authenticate" means to validate a document in such a manner that the identity of the person who originates the document is incontrovertible and the information contained in the document is identical to that originated by the person.

(2) "Electronic signature" means any combination of words, letters, symbols or characters that is attached to or logically associated with an electronic record and used by a person for the purpose of authenticating a document

* Section 991.11, WISCONSIN STATUTES 1995-96: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

that has been created in or transformed into an electronic format.

(3) "Governmental unit" means any association, authority, board, commission, department, independent agency, institution, office, society or other body in state government created or authorized to be created by the constitution or any law, including the legislature, the office of the governor and the courts, and any political subdivision of the state or body within one or more political subdivisions which is created by law or by action of one or more political subdivisions.

137.05 Submission of written documents. Unless otherwise prohibited by law, any document that is required by law to be submitted in writing to a governmental unit and that requires a written signature may be submitted by transforming the document into electronic format, but only with the consent of the governmental unit that is to receive the document.

137.06 Electronic signature. (1) Unless otherwise prohibited by law, any document that requires a manual, facsimile or other form of signature or that is given effect with a manual, facsimile or other form of signature may be signed or given effect with an electronic signature if the electronic signature meets all of the following requirements:

- (a) The electronic signature is unique to the person using it.
- (b) The electronic signature is capable of verification.
- (c) The electronic signature is under the sole control of the person using it.
- (d) The electronic signature is linked to the document to which it is attached or associated in such a manner that, if the document is altered after the electronic signature is created, the electronic signature is invalidated.
- (e) For documents submitted to the department of financial institutions, the electronic signature conforms to any rules promulgated by the department of financial institutions.

(2) An electronic signature that satisfies all of the requirements specified in sub. (1) has the same force and effect as a manual, facsimile or other form of signature.

SECTION 6m. 224.30 of the statutes is created to read:

224.30 Powers and duties of the department. (1) In this section, "department" means the department of financial institutions.

(2) The department shall promulgate rules regarding the submission of written documents under s. 137.05 and the use and verification of electronic signatures under s. 137.06.

SECTION 7. 990.01 (38) of the statutes is amended to read:

990.01 (38) SIGNATURE. If the signature of any person is required by law it shall always be the handwriting of such person or, if the person is unable to write, the person's mark or the person's name written by some other

person at the person's request and in the person's presence, or, subject to any applicable requirements under subch. II of ch. 137, the electronic signature of the person.

SECTION 7d. 1997 Wisconsin Act 204, section 96 (1) (c) is amended to read:

[1997 Wisconsin Act 204] Section 96 (1) (c) Notwithstanding section 196.491 (3) (a) 1. of the statutes, as affected by this act, no later than August 31, 1998, each ~~eastern Wisconsin utility~~ contractor specified in paragraph (b) (intro.) shall apply to the commission for any certificate that is required for construction of new electric generation capacity under the contracts into which it enters under paragraph (b) 3. and, if required under section 196.491 (3) (a) 3. a. of the statutes, as affected by this act, submit an engineering plan to the department as specified in section 196.491 (3) (a) 3. a. of the statutes, as affected by this act.

SECTION 7e. 1997 Wisconsin Act 204, section 96 (1) (d) (intro.), 1., 2. and 3. are amended to read:

[1997 Wisconsin Act 204] Section 96 (1) (d) (intro.) Notwithstanding section 196.491 (3) (a) 3. a. and b. of the statutes, as affected by this act, if an ~~eastern Wisconsin utility~~ a contractor specified in paragraph (b) (intro.) submits an engineering plan to the department under paragraph (c), the ~~eastern Wisconsin utility~~ contractor and the department shall satisfy each of the following:

1. Within 15 days after the ~~eastern Wisconsin utility~~ contractor provides the engineering plan, the department shall provide the ~~eastern Wisconsin utility~~ contractor with a listing of each department permit or approval which, on the basis of the information contained in the engineering plan, appears to be required for the construction or operation of the facility.
2. Within 10 days after the department provides a listing specified in subdivision 1., the ~~eastern Wisconsin utility~~ contractor shall apply for the permits and approvals identified in the listing.
3. The department shall determine whether an application under subdivision 2. is complete and, no later than 15 days after the application is filed, notify the applicant about the determination. If the department determines that the application is incomplete, the notice shall state the reason for the determination. ~~An eastern Wisconsin utility~~ A contractor may supplement and refile an application that the department has determined to be incomplete. There is no limit on the number of times that an applicant may refile an application under this subdivision. If the department fails to determine whether an application is complete within 15 days after the application is filed, the application shall be considered to be complete.

SECTION 7f. 1997 Wisconsin Act 204, section 96 (1) (e) (intro.) and 1. are amended to read:

[1997 Wisconsin Act 204] Section 96 (1) (e) (intro.) Notwithstanding section 196.491 (3) (a) 2., (b) and (g) 1. and 2. of the statutes, as affected by this act, the commis-

sion and an eastern Wisconsin utility a contractor specified in paragraph (b) (intro.) that applies for a certificate under section 196.491 (3) of the statutes, as affected by this act, shall satisfy each of the following:

1. The commission shall determine whether the application is complete and, no later than 15 days after the application is filed, notify the applicant about the determination. If the commission determines that the application is incomplete, the notice shall state the reason for the determination. An eastern Wisconsin utility A contractor may supplement and refile an application that the commission has determined to be incomplete. There is no limit on the number of times that an eastern Wisconsin utility a contractor may refile an application under this subdivision. If the commission fails to determine whether an application is complete within 15 days after the application is filed, the application shall be considered to be complete.

SECTION 8. Nonstatutory provisions.

(1) COMMISSION ON THE USE OF ELECTRONIC SIGNATURES.

(a) In this subsection:

1. "Committee" has the meaning specified in section 15.01 (3) of the statutes.
2. "Electronic signature" has the meaning specified in section 137.04 (2) of the statutes, as created by this act.
3. "Governmental unit" has the meaning specified in section 137.04 (3) of the statutes, as created by this act.

(b) There is established a committee called the commission on the use of electronic signatures consisting of members appointed by the governor.

(c) The commission shall study the use and regulation of electronic signatures in this state and any other matter affecting the use and regulation of electronic signatures.

(d) The department of administration shall provide to the commission information on the expected uses of electronic signatures by governmental units in exercising their powers and performing their duties.

(e) No later than January 1, 1999, the commission shall submit a report to the department of administration, and to the legislature in the manner provided under section 13.172 (2) of the statutes regarding the use of electronic signatures and the submission of written documents in electronic format to governmental units. The report shall include the commission's proposed recommendations regarding the use of electronic signatures and the submission of written documents in electronic format to governmental units and shall include any proposed legislation that the commission considers necessary to implement the recommendations.

(f) No later than the first day of the 12th month beginning after the publication of this act, the commission shall submit a report to the legislature in the manner provided under section 13.172 (2) of the statutes regarding the use and regulation of electronic signatures and the submis-

sion of electronic documents in this state. The report shall include the commission's proposed recommendations regarding the use and regulation of electronic signatures in this state and shall include any proposed legislation that the commission considers necessary to implement the recommendations.

(2) REPORT TO THE COMMISSION ON THE USE OF ELECTRONIC SIGNATURES AND TO THE JOINT COMMITTEE ON INFORMATION POLICY.

(a) In this subsection:

1. "Authenticate" has the meaning specified in section 137.04 (1) of the statutes, as created by this act.
2. "Electronic signature" has the meaning specified in section 137.04 (2) of the statutes, as created by this act.
3. "Governmental unit" has the meaning specified in section 137.04 (3) of the statutes, as created by this act.

(b) No later than November 1, 1998, the department of financial institutions shall report to the commission under subsection (1) on the use of electronic signatures and to the joint committee on information policy any information and recommendations that the department considers useful to governmental units in implementing systems to use electronic signatures to authenticate electronic documents submitted to governmental units, including all of the following:

1. Any technical or legal barriers to the use of electronic signatures.
2. The role of electronic signatures in designing and implementing a comprehensive system for securing the submittal of electronic documents to a governmental unit.
3. An evaluation of the advantages and disadvantages of particular technologies for creating and using electronic signatures to authenticate electronic documents submitted to governmental units.

(3) SUBMISSION OF PROPOSED RULES REGULATING ELECTRONIC SIGNATURES TO THE LEGISLATIVE COUNCIL STAFF.

(a) In promulgating rules under section 224.30 (2) of the statutes, as created by this act, the department of financial institutions shall consider the report submitted by the commission on the use of electronic signatures under subsection (1) (e).

(b) The department of financial institutions shall submit in proposed form the rules required under section 224.30 (2) of the statutes, as created by this act, to the legislative council staff under section 227.15 (1) of the statutes no later than the first day of the 6th month beginning after the submission of the proposed legislation by the commission on the use of electronic signatures under subsection (1) (e).

SECTION 9. Effective dates. This act takes effect on the day after publication, except as follows:

(1) The treatment of sections 16.855 (23), 20.575 (1) (g), 137.01 (4) (a) and 990.01 (38) and subchapter II of chapter 137 of the statutes, the renumbering of chapter

137 of the statutes and the creation of chapter 137 (title) month beginning after publication.
of the statutes take effect on the first day of the 12th
