

HOUSE BILL No. 2042

By Joint Committee on Administrative Rules and Regulations

1-21

9 AN ACT concerning electronic transactions; making certain acts unlaw-
10 ful; amending K.S.A. 16-1617 and repealing the existing section.

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12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 16-1617 is hereby amended to read as follows: 16-
14 1617. (a) *It shall be unlawful for any person who has not been approved*
15 *by the secretary of state as a registered certification authority to advertise,*
16 *offer for sale, sell or perform any service providing certification of a digital*
17 *signature within this state unless such person is registered with the sec-*
18 *retary of state as required by this section.*

19 (b) Any person, before entering upon the duties of a registered cer-
20 tification authority, shall:

21 (1) Register with the secretary on forms approved and provided by
22 the secretary;

23 (2) pay to the secretary an annual filing fee of \$1,000;

24 (3) file with the secretary a good and sufficient surety bond, certifi-
25 cate of insurance or other evidence of financial security in the amount of
26 \$100,000; and

27 (4) be approved by the secretary as meeting the requirements of any
28 rules and regulations adopted by the secretary, as the secretary deter-
29 mines appropriate, to ensure the person's financial responsibility and con-
30 dition, character, qualifications and fitness to be a registered certification
31 authority.

32 ~~(b)~~ (c) A registered certification authority shall create, maintain and
33 preserve all records that are necessary to demonstrate compliance with
34 rules and regulations adopted by the secretary.

35 ~~(c)~~ (d) If any person who is approved and registered with the secre-
36 tary as a registered certification authority fails to maintain any of the
37 qualifications listed in subsection (a) and (b) or otherwise required by
38 rules and regulations of the secretary, the person's registration shall be
39 deemed lapsed.

40 ~~(d)~~ (e) Any person who violates or fails to comply with this section
41 and any provision related to registered certification authority and the rules
42 and regulations of the secretary promulgated pursuant to K.S.A. 16-1618,
43 and amendments thereto, upon notice and hearing, shall be subject to a

- 1 civil penalty not to exceed \$10,000 per failure or violation.
- 2 Sec. 2. K.S.A. 16-1617 is hereby repealed.
- 3 Sec. 3. This act shall take effect and be in force from and after its
- 4 publication in the statute book.