

Representative Paul A. Cutler proposes the following substitute bill:

GOVERNMENT DIGITAL VERIFIABLE

RECORD AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Paul A. Cutler

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill requires the Division of Technology Services to create a pilot program and provide recommendations for certain digital verifiable records.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ requires the Division of Technology Services to:
 - provide recommendations to government entities regarding digital verifiable records and credentials; and
 - create a pilot program for digital verifiable credentials.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

63A-16-108, Utah Code Annotated 1953



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Be it enacted by the Legislature of the state of Utah:

Section 1. Section **63A-16-108** is enacted to read:

63A-16-108. Digital verifiable credential and records.

(1) As used in this section:

(a) "Blockchain" means a distributed ledger of ordered electronic records that:

(i) is distributed across a network of computers;

(ii) utilizes technology to prevent the unauthorized alteration of electronic records; and

(iii) is mathematically verified.

(b) "Digital record schema" means a description of the data fields and tamper-evident technologies required to create a digital verifiable credential or digital verifiable record that can be registered on a distributed ledger technology.

(c) "Digital signature" means a tamper-evident, immutable, electronic seal that is equivalent in function and status to a notary seal issued by a government entity.

(d) "Digital verifiable credential" means a digital document that:

(i) attests to a fact;

(ii) is issued by a government entity;

(iii) can be mathematically verified; and

(iv) conveys rights, privileges, and legal enforceability equivalent to the possession of a physical credential of the same type.

(e) "Digital verifiable record" means a digital record that:

(i) is issued by a government entity or has been digitally signed by a government entity;

(ii) has a digital signature;

(iii) can be mathematically verified; and

(iv) conveys rights, privileges, and legal enforceability equivalent to the possession of a physical record of the same type.

(f) "Distributed ledger" means a decentralized database that is maintained by the consensus of replicated, shared, and synchronized digital data.

(g) "Government entity" means:

(i) the state;

(ii) a state agency; or

57 (iii) a political subdivision of the state.

58 (h) "Government operations privacy officer" means the government operations privacy
59 officer described in Section 67-1-17.

60 (i) "State archivist" means the state archivist appointed under Section 63A-12-102.

61 (j) "State privacy officer" means the state privacy officer described in Section 67-3-13.

62 (k) "State registrar" means the state registrar of vital records appointed under Section
63 26-2-3.

64 (2) The Division of Technology Services shall:

65 (a) provide recommendations to government entities regarding:

66 (i) appropriate digital record schemas that allow a government to issue a digital
67 verifiable credential or record;

68 (ii) policies and procedures to protect the privacy of personal identifying information
69 maintained within distributed ledger programs;

70 (iii) the manner and format in which an issuer may certify a document through
71 blockchain; and

72 (iv) processes and procedures for the preservation, auditability, integrity, security, and
73 confidentiality of digital verifiable credentials and records,

74 (b) create a pilot program for the implementation of digital verifiable credentials by
75 governmental entities; and

76 (c) report to ~~H~~→ ~~[Government Operations Interim Committee]~~ Public Utilities, Energy,
77 and Technology Interim Committee ←~~H~~ by October 31, 2023, on the

78 (3) In performing the duties described in Subsections (2)(a) and (b), the Division of
79 Technology Services shall consult with:

80 (a) the state archivist;

81 (b) the state privacy officer;

82 (c) the government operations privacy officer;

83 (d) the state registrar;

84 (e) private industry professionals with relevant expertise;

85 (f) the Utah League of Cities and Towns; and

86 (g) an association of counties in the state.