

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB814

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Watkins

3. Committee: Committee Referral Pending

4. Title: Electronic identity management; standards; liability.

5. Summary: Creates the Identity Management Standards Advisory Council to advise the Secretary of Technology on the adoption of technical and data standards regarding the verification and authentication of identity in digital and online transactions. The bill establishes the terms of liability for electronic identity providers. The bill also establishes in the Code of Virginia the concept of an identity trust framework operator, an entity that establishes rules and policies for identity providers operating within the framework and issues electronic trustmarks to such providers signifying compliance with the rules and policies of that trust framework.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Indeterminate, see Item 8.

8. Fiscal Implications: This bill creates the Identity Management Standards Advisory Council (the "Advisory Council"). Members of the Advisory Council are not compensated but are reimbursed for reasonable and necessary expenses incurred in the performance of their duties, including transportation, parking, and lodging. The bill does not establish a fiscal agent for the Advisory Council, therefore it is currently unknown which agency or agencies will be responsible for any council member reimbursements. Costs for reimbursements will vary depending on the frequency of meetings and the travel costs of the members.

The bill states that the Advisory Council will contain representatives from the Virginia Information Technologies Agency (VITA) and the Department of Motor Vehicles (DMV) and that it will be staffed by the Office of the Secretary of Technology. The Secretary of Technology's office does not anticipate that this responsibility will create a fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Secretary of Technology, Secretary of Transportation, Department of Motor Vehicles, and Virginia Information Technologies Agency

10. Technical Amendment Necessary: None.

11. Other Comments: The substitute version of this bill establishes the terms of liability that an identity trust framework operator or identity provider is subject to. Such entities are liable if they are not in compliance with the Commonwealth's identity management standards in place at the time the identity credential is issued, if the entity is not in compliance with the applicable terms of any contractual agreement with a contracting party, and if the entity is not in compliance with any written rules or policies of the identity trust framework of which it is a member. The introduced version of the bill granted immunity from liability so long as the entity was in compliance with the Commonwealth's identity management standards.

This bill is identical to the substitute version of HB1562.

C: Secretary of Technology

Date: February 10, 2015

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