

2022 BSA State Legislative Summary: DIGITAL TRANSFORMATION

- Thirty-six states considered legislation involving the digital transformation of government and business, nearly 30 percent increase from 2021.
- Nearly a quarter of the bills were in New York and Massachusetts combined.
- Thirty of the 166 digital transformation bills concerned the use electronic-signatures in business and government; 14 of those were enacted, and one was vetoed. Oklahoma Governor Kevin Stitt vetoed legislation about e-signatures for vehicle transfers for reasons unrelated to e-signature. Laws were enacted in Illinois (2), Indiana (3), Kentucky (1), Maryland (1), New York (4), and Utah (1).
- Thirty-one bills of the 166 were about Remote Online Notification. The 15 enacted bills were only in eight states (Louisiana, Maine, Maryland, New York, New Mexico, North Carolina, Rhode Island, West Virginia). Digital transformation is a bipartisan policy area, now party more likely to pass state level legislation.
- Broadband-related digital transformation bills only accounted for five bills, or 3 percent of all state digital transformation bills in 2022.
- Eighteen percent of digital transformation bills were enacted; e-signature and RON bills were the most likely to pass.

Digital transformation bills continued to influence state chambers across the country. More than three quarters of state legislatures considered some digital transformation legislation in 2022, ranging from remote online notarization to open data to cloud computing. Nearly half of the digital transformation bills, across all topics, can be accounted for by only five states. Hawaii, Maryland, Massachusetts, Illinois, and New York.

Remote online notarization and electronic signature bills were both popular topics for introductions and passage of state legislation, though most legislation on these topics were narrowly targeted to specific issues, like wills and salvage titles. Despite nearly as many bills about modernizing government, only three have been enacted to date. Only one concerning blockchain and one about open data have been enacted; however, there seems to have been more movement regarding blockchain legislation than with open data in 2022.

Despite only 8 percent of digital transformation legislation carrying over into 2022, many of these bills, especially those that had at least one committee hearing, will likely be re-introduced in 2023. It is important to note that many states have overarching RON and e-signature bills, but specific tweaks still may be necessary. Additionally, many of these bills address topics that will remain relevant next year, such as modernizing government and cloud computing. However, given the current state of cryptocurrency, there may be less urgency considering blockchain legislation next session.

FOR MORE INFORMATION CONTACT:

Tom Foulkes | Senior Director, State Advocacy | tomf@bsa.org
Abigail Wilson | Manager, State Advocacy | abigailw@bsa.org