

Reprinted

FILED Feb 11 1992

SENATE FILE 2117

BY VARN

Passed Senate, Date 3/11/92 (p. 732) Passed House, Date 4/6/92 (P. 1058)

Vote: Ayes 32 Nays 14 Vote: Ayes 71 Nays 26

Approved May 4, 1992

A BILL FOR

1 An Act relating to implementation of a statewide system utilizing
2 a smartcard.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF-2117

1 Section 1. NEW SECTION. 18.138 SMARTCARD.

2 1. The telecommunication and information management
3 council, as reconstituted by executive order number 33, dated
4 August 21, 1987, in cooperation with the principal central
5 departments of the executive branch enumerated in section
6 7E.5, shall develop and implement or cause to be developed and
7 implemented a statewide system utilizing a smartcard.

8 2. The smartcard shall be used for any governmental
9 purpose requiring identification, including, but not limited
10 to, a motor vehicle license, nonoperator's identification
11 card, library card, hunting and fishing license, and
12 university identification card. In addition, the smartcard
13 shall be used for the electronic transfer of funds and shall
14 allow the user to receive state benefits and entitlements and
15 to pay indebtedness to the state, including tax payments and
16 refunds, and shall serve as a source of access to governmental
17 information. The holder of a smartcard shall have a personal
18 identification number which shall allow the holder to gain
19 access to the system.

20 3. The smartcard shall be connected to an account in a fi-
21 nancial institution of the holder's choice to allow for direct
22 deposit by the state into the account or payment from the
23 account to the state by the user of the smartcard. The
24 smartcard shall be issued by a financial institution. All
25 state departments and agencies shall be required to cooperate
26 by supplying the information necessary for issuance and use of
27 a smartcard. The department of general services shall be the
28 central agency responsible for coordinating the delivery of
29 information obtained from various state agencies and
30 disseminated to the appropriate financial institutions. Any
31 funds necessary for issuance of the smartcard shall be
32 transferred from funds appropriated to the various state
33 agencies for costs associated with their respective
34 identification cards, information systems, and disbursement
35 and receipt of funds.

1 4. Local governments may participate in this program to
2 allow access to local governmental information services and
3 financial transactions through use of the smartcard.

4 5. The telecommunication and information management
5 council and the cooperating executive branch departments shall
6 consider procedures to ensure the full protection of privacy
7 of personal information and the security of a holder's
8 personal identification number. The smartcard system shall be
9 implemented by July 1, 1995.

10 6. For purposes of this section:

11 a. "Financial institution" means financial institution as
12 defined in section 527.2.

13 b. "Smartcard" means a card containing identifying infor-
14 mation in written and machine readable form, which can be used
15 as an access device by the holder for any of the purposes as
16 stated in this section.

17 EXPLANATION

18 This bill requires the telecommunication and information
19 management council to work with the executive branch depart-
20 ments to develop and implement a statewide system which uses a
21 smartcard for access to various governmental services. The
22 smartcard will serve as a motor vehicle license, fishing and
23 hunting license, library card, and university identification
24 card, will allow for electronic transfer of funds and allow
25 the user to receive state benefits and entitlements and to pay
26 indebtedness to the state, including tax payments and refunds,
27 and will serve as a source of access to governmental
28 information. Local governments may participate in the system.

29 The smartcard must be connected to an account in a
30 financial institution to allow for direct deposits and
31 payments. The financial institution will issue the smartcard
32 and the appropriate state departments and agencies will supply
33 the necessary information to the department of general
34 services which will coordinate its delivery and dissemination.
35 Funds for issuance of the smartcard shall be obtained from

1 moneys appropriated to the various state agencies for
2 production of their respective identification cards. The
3 council must consider the protection of personal information
4 contained on the card and shall implement the system or cause
5 the system to be implemented by July 1, 1995.

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SENATE FILE 2117
FISCAL NOTE

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A fiscal note for Senate File 2117 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2117 requires the Telecommunications and Information Management (TIM) Council to work with Executive Branch departments to develop and implement a statewide system which uses a smartcard for access to various governmental services. The smartcard will serve as a motor vehicle license, fishing and hunting license, library card, and university identification card. The card will also allow for electronic transfer of funds and allow the user to receive state benefits and entitlements and to pay indebtedness to the State, including tax payments and refunds, and will serve as a source of access to governmental information.

Fiscal Effect:

The fiscal effect of SF 2117 is unknown at this time. While there will be costs to adopting such a card, there are likely to be cost savings such as reduced cost to the Department of Human Services because of no longer needing to replace or reissue lost benefit checks.

27 Source: TIM Council

(LSB 5510ss, LCS)

FILED FEBRUARY 24, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

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SENATE FILE 2117

S-5155

1 Amend Senate File 2117 as follows:

2 1. Page 1, by striking lines 1 through 8 and
3 inserting the following:

4 "Section 1. NEW SECTION. 18.136 GOVERNMENTAL
5 SERVICES CARD.

6 1. A governmental services card advisory committee
7 is established consisting of the telecommunication and
8 information management council, as reconstituted by
9 executive order number 33, dated August 21, 1987,
10 representatives of the principal central departments
11 of the executive branch as enumerated in section 7E.5
12 and representatives of private industry, including,
13 but not limited to, financial institutions. The
14 governmental services card advisory committee shall
15 formulate a plan for the development and
16 implementation of a statewide governmental services
17 card system which shall include all of the following:

18 a. A governmental services card mission statement
19 which shall be consistent with the stated purposes of
20 the governmental services card.

21 b. A stated definition of the goals and objectives
22 of the committee.

23 c. A reasonable estimation of the costs and
24 benefits which would be incurred or realized through
25 implementation of a governmental services card system.

26 d. Recommendations for the process of coordinating
27 the receipt and disbursement of funds through the
28 treasurer of state's office and the appropriate state
29 agencies.

30 e. A proposed list of pilot projects where the
31 governmental services card may be implemented.

32 f. An implementation schedule which shall require
33 that the first pilot project shall begin no later than
34 January 1, 1996, but may begin at an earlier date if
35 ready for implementation. The governmental services
36 card system shall be implemented on a statewide basis
37 by January 1, 1997.

38 2. The governmental services card shall be used
39 for any governmental".

40 2. Page 1, line 12, by striking the word
41 "smartcard" and inserting the following:
42 "governmental services card".

43 3. Page 1, line 17, by striking the word
44 "smartcard" and inserting the following: "governmental
45 services card".

46 4. Page 1, by striking lines 29 through 35 and
47 inserting the following:

48 1. The governmental services card standards shall
49 be compatible with the standards established for the
50 electronic transfer of funds under chapter 527. Any

S-5155

S-5165

Page 2

1 funds necessary for issuance of the governmental
2 services card shall be transferred from funds
3 appropriated to the various state agencies for costs
4 associated with their respective identification card,
5 information systems, and disbursement and receipt of
6 funds."

7 5. Page 2, line 3, by striking the word
8 "smartcard" and inserting the following:
9 "governmental services card".

10 6. Page 2, by striking lines 4 and 5 and
11 inserting the following:

12 "5. The governmental services card advisory
13 committee shall".

14 7. Page 2, by striking lines 8 and 9 and
15 inserting the following: "personal identification
16 number."

17 8. Page 2, line 13, by striking the word
18 "Smartcard" and inserting the following:
19 "Governmental services card".

20 9. Title page, line 2, by striking the word
21 "smartcard" and inserting the following:
22 "governmental services card".

23 10. By renumbering as necessary.

By RICHARD J. VARN

S-5165 FILED MARCH 10, 1992

Adopted 3/11 (p. 732)

See State Gov, No Pass 3/27

SENATE FILE 2117
BY VARN

(AS AMENDED AND PASSED BY THE SENATE MARCH 11, 1992)

~~_____~~ - New Language by the Senate

RePassed Senate, Date 4/8/92 (p. 1287) Passed House, Date 4/2/92 (p. 1098)
Vote: Ayes 38 Nays 11 Vote: Ayes 71 Nays 26

Approved May 4, 1992

*Repassed House 4/23/92 (1752)
Ayes 85 Nays 12*

A BILL FOR

1 An Act relating to implementation of a statewide system utilizing
2 a governmental services card.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2117

1 Section 1. NEW SECTION. 18.138 GOVERNMENTAL SERVICES
2 CARD.

3 1. A governmental services card advisory committee is
4 established consisting of the telecommunication and
5 information management council, as reconstituted by executive
6 order number 33, dated August 21, 1987, representatives of the
7 principal central departments of the executive branch as
8 enumerated in section 7E.5 and representatives of private
9 industry, including, but not limited to, financial
10 institutions. The governmental services card advisory
11 committee shall formulate a plan for the development and
12 implementation of a statewide governmental services card
13 system which shall include all of the following:

14 a. A governmental services card mission statement which
15 shall be consistent with the stated purposes of the
16 governmental services card.

17 b. A stated definition of the goals and objectives of the
18 committee.

19 c. A reasonable estimation of the costs and benefits which
20 would be incurred or realized through implementation of a
21 governmental services card system.

22 d. Recommendations for the process of coordinating the
23 receipt and disbursement of funds through the treasurer of
24 state's office and the appropriate state agencies.

25 e. A proposed list of pilot projects where the
26 governmental services card may be implemented.

27 f. An implementation schedule which shall require that the
28 first pilot project shall begin no later than January 1, 1996,
29 but may begin at an earlier date if ready for implementation.
30 The governmental services card system shall be implemented on
31 a statewide basis by January 1, 1997.

32 2. The governmental services card shall be used for any
33 governmental purpose requiring identification, including, but
34 not limited to, a motor vehicle license, nonoperator's
35 identification card, library card, hunting and fishing

1 license, and university identification card. In addition, the
2 governmental services card shall be used for the electronic
3 transfer of funds and shall allow the user to receive state
4 benefits and entitlements and to pay indebtedness to the
5 state, including tax payments and refunds, and shall serve as
6 a source of access to governmental information. The holder of
7 a governmental services card shall have a personal
8 identification number which shall allow the holder to gain
9 access to the system.

10 3. The governmental services card standards shall be
11 compatible with the standards established for the electronic
12 transfer of funds under chapter 527. Any funds necessary for
13 issuance of the governmental services card shall be
14 transferred from funds appropriated to the various state
15 agencies for costs associated with their respective
16 identification card, information systems, and disbursement and
17 receipt of funds.

18 4. Local governments may participate in this program to
19 allow access to local governmental information services and
20 financial transactions through use of the governmental
21 services card.

22 5. The governmental services card advisory committee shall
23 consider procedures to ensure the full protection of privacy
24 of personal information and the security of a holder's
25 personal identification number.

26 6. For purposes of this section:

27 a. "Financial institution" means financial institution as
28 defined in section 527.2.

29 b. "Governmental services card" means a card containing
30 identifying information in written and machine readable form,
31 which can be used as an access device by the holder for any of
32 the purposes as stated in this section.

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SENATE FILE 2117

H-5616

1 Amend Senate File 2117, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 13, by inserting after the word
4 "shall" the following: "be submitted to the general
5 assembly by January 1, 1995, and shall".

6 2. Page 1, by striking lines 27 through 31 and
7 inserting the following:

8 "f. A schedule for implementation in which
9 reasonable attempts shall be made to comply with the
10 intent of the general assembly that the first pilot
11 project begin no later than January 1, 1996."

By KNAPP of Dubuque
CARPENTER of Polk
BLANSHAN of Greene

H-5616 FILED MARCH 31, 1992

Adopted 4/6 (p. 1097)

SENATE FILE 2117

H-5655

1 Amend Senate File 2117, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, by inserting after line 17, the
4 following:

5 " . The governmental services and standards
6 shall be compatible with the standards established for
7 the electronic transmission of claim reports developed
8 by the health data commission."

9 2. By renumbering as necessary.

By HAVERLAND of Polk

H-5655 FILED APRIL 1, 1992

Adopted 4/6 (p. 1098)

SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE FILE 2117
H-5857

1 Amend the House amendment, S-5568, to Senate File
2 2117, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, by striking lines 14 through 17 and
5 inserting the following:

6 " ". The governmental services card advisory
7 committee shall review and evaluate procedures for the
8 implementation of a statewide network for the
9 electronic processing and payment of claims for health
10 care services. The committee shall seek input from
11 health care providers and other persons with expertise
12 in electronic health care claims processing in
13 conducting its review and evaluation."

RECEIVED FROM THE SENATE

H-5857 FILED APRIL 10, 1992

House concurred 4/23 (p. 1750)

HOUSE AMENDMENT TO
SENATE FILE 2117

S-5568

1 Amend Senate File 2117, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 13, by inserting after the word
4 "shall" the following: "be submitted to the general
5 assembly by January 1, 1995, and shall".

6 2. Page 1, by striking lines 27 through 31 and
7 inserting the following:

8 "f. A schedule for implementation in which
9 reasonable attempts shall be made to comply with the
10 intent of the general assembly that the first pilot
11 project begin no later than January 1, 1996."

12 3. Page 2, by inserting after line 17, the
13 following:

14 "_____. The governmental services and standards
15 shall be compatible with the standards established for
16 the electronic transmission of claim reports developed
17 by the health data commission."

18 4. By renumbering, relettering, or redesignating
19 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-5568 FILED APRIL 6, 1992

*Senate amended (5544) ;
Concurred 4/8/92. (p. 1287)*

SENATE FILE 2117

S-5594

1 Amend the House amendment, S-5568, to Senate File
2 2117, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 1, by striking lines 14 through 17 and
5 inserting the following:

6 ""_____. The governmental services care advisory
7 committee shall review and evaluate procedures for the
8 implementation of a statewide network for the
9 electronic processing and payment of claims for health
10 care services. The committee shall seek input from
11 health care providers and other persons with expertise
12 in electronic health care claims processing in
13 conducting its review and evaluation.""

By RICHARD VARN

S-5594 FILED APRIL 8, 1992

ADOPTED (p. 1296)

SENATE FILE 2117

AN ACT

RELATING TO IMPLEMENTATION OF A STATEWIDE SYSTEM UTILIZING A
GOVERNMENTAL SERVICES CARD.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 18.138 GOVERNMENTAL SERVICES
CARD.

1. A governmental services card advisory committee is established consisting of the telecommunication and information management council, as reconstituted by executive order number 33, dated August 21, 1987, representatives of the principal central departments of the executive branch as enumerated in section 7E.3 and representatives of private industry, including, but not limited to, financial institutions. The governmental services card advisory committee shall formulate a plan for the development and implementation of a statewide governmental services card system which shall be submitted to the general assembly by January 1, 1995, and shall include all of the following:

- a. A governmental services card mission statement which shall be consistent with the stated purposes of the governmental services card.
- b. A stated definition of the goals and objectives of the committee.
- c. A reasonable estimation of the costs and benefits which would be incurred or realized through implementation of a governmental services card system.
- d. Recommendations for the process of coordinating the receipt and disbursement of funds through the treasurer of state's office and the appropriate state agencies.
- e. A proposed list of pilot projects where the governmental services card may be implemented.

f. A schedule for implementation in which reasonable attempts shall be made to comply with the intent of the general assembly that the first pilot project begin no later than January 1, 1996.

2. The governmental services card shall be used for any governmental purpose requiring identification, including, but not limited to, a motor vehicle license, nonoperator's identification card, library card, hunting and fishing license, and university identification card. In addition, the governmental services card shall be used for the electronic transfer of funds and shall allow the user to receive state benefits and entitlements and to pay indebtedness to the state, including tax payments and refunds, and shall serve as a source of access to governmental information. The holder of a governmental services card shall have a personal identification number which shall allow the holder to gain access to the system.

3. The governmental services card standards shall be compatible with the standards established for the electronic transfer of funds under chapter 527. Any funds necessary for issuance of the governmental services card shall be transferred from funds appropriated to the various state agencies for costs associated with their respective identification card, information systems, and disbursement and receipt of funds.

4. The governmental services card advisory committee shall review and evaluate procedures for the implementation of a statewide network for the electronic processing and payment of claims for health care services. The committee shall seek input from health care providers and other persons with expertise in electronic health care claims processing in conducting its review and evaluation.

5. Local governments may participate in this program to allow access to local governmental information services and financial transactions through use of the governmental services card.

6. The governmental services card advisory committee shall consider procedures to ensure the full protection of privacy of personal information and the security of a holder's personal identification number.

7. For purposes of this section:

a. "Financial institution" means financial institution as defined in section 527.2.

b. "Governmental services card" means a card containing identifying information in written and machine readable form, which can be used as an access device by the holder for any of the purposes as stated in this section.

MICHAEL E. GRONSTAL
President of the Senate

ROBERT C. ARNOULD
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2117, Seventy-fourth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved May 4, 1992

TERRY E. BRANSTAD
Governor