

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SENATE BILL 622
RATIFIED BILL**

AN ACT TO FURTHER PROMOTE E-COMMERCE AND E-GOVERNMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 66-58.4 reads as rewritten:

"§ 66-58.4. Use of electronic signatures.

(a) All public agencies may accept electronic ~~signatures~~signatures pursuant to this Article, pursuant to Article 40 of this Chapter (the Uniform Electronic Transactions Act), or pursuant to other law.

(b) ~~Signatures that require attestation by a notary public may not be in the form of an electronic signature."~~

SECTION 2. G.S. 66-58.5 reads as rewritten:

"§ 66-58.5. Validity of electronic signatures.

(a) An electronic signature contained in a transaction undertaken pursuant to this Article between a person and a public agency, or between public agencies, shall have the same force and effect as a manual signature provided all of the following requirements are met:

- (1) The public agency involved in the transaction requests or requires the use of electronic signatures.
- (2) The electronic signature contained in the transaction embodies all of the following attributes:
 - a. It is unique to the person using it;
 - b. It is capable of certification;
 - c. It is under sole control of the person using it;
 - d. It is linked to data in such a manner that if the data are changed, the electronic signature is invalidated; and
 - e. It conforms to rules adopted by the Secretary pursuant to this Article.

(b) A transaction undertaken pursuant to this Article between a person and a public agency, or between public agencies, is not unenforceable, nor is it inadmissible into evidence, on the sole ground that the transaction is evidenced by an electronic record or that it has been signed with an electronic signature.

(c) This Article does not affect the validity of, presumptions relating to, or burdens of proof regarding an electronic signature that is accepted pursuant to Article 40 of this Chapter or other law."

SECTION 3. G.S. 55-16-22 reads as rewritten:

"§ 55-16-22. Annual report.

(a) Except as provided in subsections (a1) and (a2) of this section, each domestic corporation and each foreign corporation authorized to transact business in this State shall deliver an annual report to the Secretary of ~~Revenue~~Revenue in paper form or, in the alternative, directly to the Secretary of State in electronic form as prescribed by the Secretary of State under this section.

(a1) Each insurance company subject to the provisions of Chapter 58 of the General Statutes shall deliver an annual report to the Secretary of State.

(a2) A domestic corporation governed by Chapter 55B of the General Statutes is exempt from this section.

(a3) The annual report required by this section shall be in a form jointly prescribed by the Secretary of Revenue and the Secretary of State. The Secretary of Revenue shall provide the form needed to file an annual report. The Secretary of State shall prescribe the form needed to file an annual report electronically and shall provide this form by electronic means. The annual report shall set forth all of the following:

- (1) The name of the corporation and the state or country under whose law it is incorporated.
- (2) The street address, and the mailing address if different from the street address, of the registered office, the county in which its registered office is located, and the name of its registered agent at that office in this State, and a statement of any change of such registered office or registered agent, or both.
- (3) The address and telephone number of its principal office.
- (4) The names, titles, and business addresses of its principal officers.
- (4a) Repealed by Session Laws 1997-475, s. 6.1.
- (5) A brief description of the nature of its business.

If the information contained in the most recently filed annual report has not changed, a certification to that effect may be made instead of setting forth the information required by subdivisions (2) through (5) of this subsection.

(b) Information in the annual report must be current as of the date the annual report is executed on behalf of the corporation.

(c) An annual report ~~required~~ eligible to be delivered to the Secretary of Revenue is due by the due date for filing the corporation's income and franchise tax returns. An extension of time to file a return is an extension of time to file an annual report. At the option of the filer, an annual report may be filed directly with the Secretary of State in electronic form. An annual report required to be delivered to the Secretary of State is due by the fifteenth day of the third month following the close of the corporation's fiscal year.

(d) If an annual report does not contain the information required by this section, the Secretary of State shall promptly notify the reporting domestic or foreign corporation in writing and return the report to it for correction. If the report is corrected to contain the information required by this section and delivered to the Secretary of State within 30 days after the effective date of notice, it is deemed to be timely filed.

(e) Amendments to any previously filed annual report may be filed with the Secretary of State at any time for the purpose of correcting, updating, or augmenting the information contained in the annual report.

(f) Expired.

(g) When a statement of change of registered office or registered agent is filed in the annual report, the change shall become effective when the statement is received by the Secretary of State.

(h) If the Secretary of State does not receive an annual report within 120 days of the date the return is due, the Secretary of State may presume that the annual report is delinquent. This presumption may be rebutted by receipt of the annual report from the Secretary of Revenue or by evidence of delivery presented by the filing corporation."

SECTION 4. The Department of the Secretary of State may study and make recommendations to the 2004 Regular Session of the 2003 General Assembly regarding what changes are desirable to the Notary Public Act, Chapter 10A of the General Statutes, to further facilitate electronic notarization and make other changes to that Chapter.

SECTION 5.(a) This act is enacted or adopted after the date of the enactment of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001, et seq., and hereby makes specific reference as required by that law.

SECTION 5.(b) This act is effective when it becomes law, with Sections 1, 2, and 3 applying to all filings made on or after that date.
In the General Assembly read three times and ratified this the 12th day of June, 2003.

Beverly E. Perdue
President of the Senate

Richard T. Morgan
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____m. this _____ day of _____, 2003