

Calendar No. 691

106TH CONGRESS
2^D SESSION

S. 1912

[Report No. 106–349]

To facilitate the growth of electronic commerce and enable the electronic commerce market to continue its current growth rate and realize its full potential, to signal strong support of the electronic commerce market by promoting its use within Federal Government agencies and small- and medium-sized businesses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 10, 1999

Mr. FRIST (for himself, Mr. McCAIN, and Mr. BINGAMAN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

JULY 19, 2000

Reported by Mr. McCAIN, without amendment

A BILL

To facilitate the growth of electronic commerce and enable the electronic commerce market to continue its current growth rate and realize its full potential, to signal strong support of the electronic commerce market by promoting its use within Federal Government agencies and small- and medium-sized businesses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Electronic Commerce
5 Technology Promotion Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress makes the following findings:

8 (1) Electronic commerce has been widely em-
9 braced by industry, both in the United States and
10 abroad. The volume of commerce conducted over the
11 Internet, though almost nonexistent just a few years
12 ago, is expected to top \$1 trillion by 2003, according
13 to market research reports. Continued growth of this
14 market is vital to the economy of the United States
15 as well as the global economy.

16 (2) United States industries are at the forefront
17 of this global revolution, continually evolving and in-
18 novating to respond to rapidly changing market
19 needs and conditions. Agility and flexibility are es-
20 sential elements in their abilities to compete and
21 adapt. These are also the elements required for the
22 electronic commerce market to sustain its current
23 phenomenal growth rate.

24 (3) The Federal Government should facilitate
25 the growth of electronic commerce by allowing the

1 private sector to continue to take the lead in devel-
2 oping this dynamic global market, and refraining
3 from undue regulatory measures whenever possible.
4 The Government should unambiguously support the
5 development of electronic commerce as a market-
6 driven phenomenon, yet also signal its strong desire
7 to promote and facilitate the growth of the electronic
8 commerce market.

9 (4) An important enabler for global electronic
10 commerce is the ability of different systems to com-
11 municate and exchange data, referred to as system
12 interoperability. The continued growth of electronic
13 commerce depends on a fundamental set of technical
14 standards that enable essential technologies to inter-
15 operate, and on a policy and legal framework that
16 supports the development that the market demands
17 in a timely manner.

18 (5) Prompt adoption and deployment of rel-
19 evant electronic commerce technologies and systems
20 by Federal agencies allow the Government to share
21 in the benefits of the electronic commerce revolution,
22 which can result in reduced cost and increased effi-
23 ciency, as well as improved quality.

24 (6) Usage of the technologies will enable the
25 Government to participate more directly and effec-

1 tively as an active contributor in the collaborative ef-
2 forts spearheaded by the private sector to develop
3 the frameworks and standards necessary for systems
4 and components to interoperate. This has the added
5 benefit of allowing the Government to intercede as
6 necessary in a timely manner, either in failure condi-
7 tions or to remove barriers erected by foreign gov-
8 ernments.

9 (7) In actively deploying such technologies, the
10 United States leadership in electronic commerce is
11 strengthened and, at the same time, establishes a
12 model for other governments and enables the growth
13 of the global electronic commerce market.

14 (8) Traditionally, small- and medium-sized en-
15 terprises play a critical role in enhancing the gross
16 domestic product associated with a growing eco-
17 nomic sector. Electronic commerce technologies have
18 the potential to enable these businesses to enter the
19 market with lower entry costs and compete more ef-
20 fectively. The United States Government has an in-
21 herent interest in ensuring that electronic commerce
22 technologies are deployed widely by these small- and
23 medium-sized businesses so that they can remain
24 competitive in the global economy.

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) CENTER.—The term “Center” means the
4 Center of Excellence for Electronic Commerce.

5 (2) DIRECTOR.—The term “Director” means
6 the Director of the National Institute of Standards
7 and Technology.

8 (3) INTEROPERABILITY.—The term “interoper-
9 ability” means the ability of different software sys-
10 tems, applications, and services to communicate and
11 exchange data in a predictable and consistent man-
12 ner.

13 (4) INTEROPERABILITY SPECIFICATION.—The
14 term “interoperability specification” means the tech-
15 nical documents developed by formal domestic and
16 international standard organizations, industry con-
17 sortia, and any other informal industry collabora-
18 tions, for the purpose of creating interoperable sys-
19 tems and technologies.

20 (5) INSTITUTE.—The term “Institute” means
21 the National Institute of Standards and Technology.

22 (6) MATRIX ORGANIZATION.—The term “matrix
23 organization” means an organizational structure
24 that is built based on coordinating the needed re-
25 sources and expertise from other existing functional
26 organizations.

1 **SEC. 4. PURPOSES.**

2 The purposes of this Act are—

3 (1) to enable the electronic commerce market to
4 continue its current growth rate and realize its full
5 potential by supporting the development of relevant
6 standards and interoperability specifications;

7 (2) to signal strong support of the electronic
8 commerce market by promoting the use of electronic
9 commerce technologies within Federal Government
10 agencies; and

11 (3) to establish a Center of Excellence in Elec-
12 tronic Commerce at the National Institute of Stand-
13 ards and Technology, which will act as a central re-
14 source for the Federal Government, promote the use
15 of electronic commerce technologies, and represent
16 the Government interest in private sector collabo-
17 rative efforts to develop electronic commerce tech-
18 nologies and interoperability specifications.

19 **SEC. 5. CENTER OF EXCELLENCE FOR ELECTRONIC COM-**
20 **MERCE.**

21 (a) ESTABLISHMENT.—The Director shall establish
22 an office within the Institute to be known as the Center
23 of Excellence for Electronic Commerce. The Center shall
24 be organized as a matrix organization built upon existing
25 expertise and resources at the Institute.

26 (b) FUNCTIONS.—The Center shall—

1 (1) act as the centralized resource of informa-
2 tion for Federal agencies in electronic commerce
3 technologies and issues;

4 (2) provide guidance to the Office of Manage-
5 ment and Budget in developing policies pertaining to
6 electronic commerce;

7 (3) promote the use of electronic commerce
8 technologies within Federal agencies and small- and
9 medium-sized businesses; and

10 (4) ensure that the interests of the United
11 States Government are appropriately represented at
12 both domestic and international meetings pertaining
13 to the setting of interoperability specifications for
14 electronic commerce technologies.

15 (c) ACTIVITIES.—In carrying out subsection (b), the
16 Center shall—

17 (1) work with all the affected parts of the Insti-
18 tute, develop a plan for all efforts related to elec-
19 tronic commerce at the Institute, and coordinate
20 these activities on an ongoing basis to achieve the
21 stated functions;

22 (2) coordinate and lead an inter-agency working
23 group to address issues related to the introduction
24 and deployment of electronic commerce technologies
25 and systems in the Federal Government;

1 (3) develop systems guidelines and reference
2 implementations for use by Federal agencies which
3 utilize electronic commerce interoperability specifica-
4 tions, consistent with section 2(b)(13) of the Na-
5 tional Institute of Standards and Technology Act
6 (15 U.S.C. 272(b)(13)) and section 12(d) of the Na-
7 tional Technology Transfer and Advancement Act of
8 1995 (15 U.S.C. 272 nt);

9 (4) advise the Secretary of Commerce upon en-
10 countering abusive uses of standards as barriers to
11 trade or as unfair commercial practices in the do-
12 mestic and international arenas in the areas of elec-
13 tronic commerce; and

14 (5) lead a coordinated effort with the Depart-
15 ment of Commerce's Manufacturing Extension Pro-
16 gram and with the Small Business Administration,
17 consistent with the respective agencies' missions, to
18 provide technical assistance to small- and medium-
19 sized businesses on issues related to the deployment
20 and use of electronic commerce technologies, includ-
21 ing developing training modules and software tool-
22 kits.

23 **SEC. 6. REPORTS.**

24 (a) IN GENERAL.—Within 6 months after the enact-
25 ment of this Act, the Undersecretary of Technology shall

1 submit a report to the Committee on Commerce, Science,
2 and Transportation of the Senate and the Committee on
3 Science of the House of Representatives on the following
4 issues concerning electronic commerce:

5 (1) Current efforts and activities on electronic
6 commerce in the Institute.

7 (2) The current status of deployment of elec-
8 tronic commerce technologies in the Federal agen-
9 cies, including any future plans.

10 (3) Issues Federal agencies are expected to en-
11 counter in widespread deployment of electronic com-
12 merce technologies.

13 (4) Any legislative revisions to existing Federal
14 programs necessary to support the advancement of
15 electronic commerce in both the Federal Government
16 and industry.

17 (b) REPORT.—Within 1 year after the date of enact-
18 ment of this Act, the Director of the Institute, in collabo-
19 ration with the inter-agency working group referred to in
20 section 5(c)(2), shall submit a report to the Committee
21 on Commerce, Science, and Transportation of the Senate
22 and the Committee on Science of the House of Represent-
23 atives detailing the plan, proposed schedule, and associ-
24 ated costs and benefits for the deployment of electronic
25 commerce technologies in the Federal agencies.

Calendar No. 691

106TH CONGRESS
2D SESSION

S. 1912

[Report No. 106-349]

A BILL

To facilitate the growth of electronic commerce and enable the electronic commerce market to continue its current growth rate and realize its full potential, to signal strong support of the electronic commerce market by promoting its use within Federal Government agencies and small- and medium-sized businesses, and for other purposes.

JULY 19, 2000

Reported without amendment