

I want to congratulate the many organizations and again, the lawmakers in both parties, and the members of our administration who worked so hard to get this bill passed, and offer a special thanks to Vice President Gore who long ago had the vision to understand the potential of this technology, and who has led our administration's efforts to harness that potential to benefit all Americans.

Now, let's see if this works.

[At this point, the President electronically signed the bill.]

Now, we have to wait a while while the act comes up and the magic has worked. It's amazing to think that Americans will soon be using cards like this one for everything from hiring a lawyer to closing a mortgage. Just imagine if this had existed 224 years ago, the Founding Fathers wouldn't have had to come all the way

to Philadelphia on July 4th for the Declaration of Independence. They could have E-mailed their "John Hancocks" in.

[The President verified the electronic signature.]

Well, it works, and it will work for you. And all of you young people will someday look back on this day that you were here and marvel that we thought it was any big deal. [Laughter] And that will be the ultimate test of success. I wish you well; I hope we've done a good job of preparing your future.

Happy Fourth of July weekend. Thank you very much.

NOTE: The President spoke at 10:57 a.m. at Congress Hall in the Independence National Historical Park. S. 761, approved June 30, was assigned Public Law No. 106-229.

Exchange With Reporters in Philadelphia June 30, 2000

President's Electronic Signature

[The transcript began with a reporter's paraphrased question concerning bill signings.]

The President. —we had a question if I could even fax a signature back on bills and Executive orders. The electronic signature, in effect, defines what the obligations—the satisfaction of the obligations of commerce contracts. Congress clearly has the authority to define that. But there's an open question as to whether we could do it for bills and fax. That's why I signed the bill before I did this, because that might require a constitutional amendment. And at least it would require some sort of judicial opinion or something before we could decide to do it.

But the volume of bills signed every year is so small, that's really not that much of a problem. The only real problem would be if the President for some reason had to go abroad at a time when the time was running out on a bill. So that's really the only issue here.

Thank you.

NOTE: The exchange began at approximately 11:15 a.m. at Independence Hall. S. 761, the Electronic Signatures in Global and National Commerce Act, approved June 30, was assigned Public Law No. 106-229. A tape was not available for verification of the content of this exchange.

Statement on Signing the Electronic Signatures in Global and National Commerce Act June 30, 2000

Today I am pleased to sign into law S. 761, the "Electronic Signatures in Global and Na-

tional Commerce Act." This landmark legislation will help ensure that we reap the full benefits

that electronic technology offers for the American economy and American consumers.

The digital economy plays an increasingly important role in our Nation's well-being. Just as the telephone and internal combustion engine brought about a new era of economic prosperity, so too "Information Technology" (IT) is creating once unimaginable economic possibilities for the 21st century.

For American businesses, new information technologies are increasing productivity, lowering costs, and spurring growth. For consumers, electronic commerce can mean greater choice, faster service, and lower prices. For our economy, the digital age means more jobs, higher growth, lower inflation, and tremendous new investment that will strengthen our economy for the long term.

The Department of Commerce reports that information technology industries are responsible for about 30 percent of U.S. economic growth since 1995. Economists have consistently found that information technology accounts for at least half of the recent acceleration in U.S. productivity growth—from 1.4 percent per year, during 1973–1995, to 2.8 percent per year since 1995. Information technology accounts for two-thirds of the growth in overall business investment in recent years. And IT industries are a major source of research and development investment. These trends suggest that the economic payoff from the technology revolution will strengthen our economy for years to come.

As S. 761 removes legal impediments to electronic commerce, we can expect to see a transformation in how businesses do business with each other and with consumers. For example, companies will be able to contract on-line to buy and sell products worth millions of dollars. Businesses will be able to collect and store transaction records that once filled up vast warehouses on servers the size of a laptop. And consumers will have the option of buying insurance, getting a mortgage, or opening a brokerage account on-line, without waiting for the paperwork to be mailed back and forth.

In 1997, Vice President Gore and I unveiled our *Framework for Global Electronic Commerce*. In that document, we called for the "development of both a domestic and global uniform commercial legal framework that recognizes, facilitates, and enforces electronic transactions worldwide." Our *Framework* also noted that government action "may prove necessary to .

. . . protect consumers." This Act accomplishes both goals by providing business with a predictable, technology-neutral, legal environment while protecting consumers.

The Act clarifies the legal validity of electronic contracts, signatures, notices, and other records, and allows contracting parties to choose the technology for authenticating their transactions without government intervention. It provides the legal certainty necessary for entrepreneurs to invest in electronic commerce. Firms need to know that their contracts and transactions will not be unenforceable solely because they are electronic. They need to know how they can satisfy State and Federal notice and record-keeping requirements with electronic notices and records. They need to know that the same "rules of the road" apply to on-line business disputes as to those in the paper world.

The Act will also ensure that on-line consumers will have legal protections equivalent to those in the off-line world. The Act does not diminish the protections offered by any Federal or State law relating to the rights of consumers, other than to eliminate requirements that contracts and other records be written and signed on paper. Consumers retain the choice to do business and receive records on paper or on-line. Before notices and disclosures may be sent electronically, consumers must give their consent and the firm must verify that the consumer will be able to access electronically the information that will be provided.

Under my Administration, the Federal Government is rapidly adapting to the digital age. Federal and State government agencies still need, however, the ability to establish requirements to protect taxpayers, oversee program participants, and monitor program compliance on-line as well as on paper. I sign S. 761 with the understanding, reflected in the Congressional Record statements of Senators Hollings, Wyden, and Sarbanes, and Congressman Dingell, that this Act gives State and Federal governments the authority they need to establish record retention requirements, prescribe standards and formats for filings, and issue other regulations and orders to implement the legislation necessary to prevent waste, investigate and enforce the law, operate programs effectively, and protect consumers and the public interest. As they explained, this legislation principally addresses commercial and consumer activities, not governmental activities that have already been

addressed by the Government Paperwork Elimination Act. To the extent that these two laws overlap, I instruct Federal agencies to construe them in a manner consistent with protecting the public interest and effectively carrying out agency missions.

The Act puts in place the essential legal framework for electronic commerce in the United States. We will continue our discussions with other countries to encourage their adoption of technology-neutral, legal frameworks to enable and enforce electronic transactions and facilitate global electronic commerce.

I also urge companies to take advantage of the new technology responsibly. Giving companies the right to contract and disclose and store records electronically is akin to giving them a driver's license for the Internet. It does not teach them to drive safely or insure them against accidents. Companies adopting electronic technology should ensure that their information security, privacy, and consumer protection policies are sound. A company that inadvertently mails a customer's personal information to thousands of other customers or posts personal information on an insecure website faces a serious risk to its business, including the risk of losing the confidence of its customers.

This Act demonstrates that we can achieve the full measure of the benefits that electronic

commerce has to offer, if we marry one of our oldest values—our commitment to consumer protection—with the newest technologies. It also shows what we can do when we work together—business and consumer and government, State and Federal, Republican and Democrat—in the public interest.

I congratulate the many organizations that worked so hard to see S. 761 become law. I particularly want to extend my appreciation to Chairmen Bliley and McCain, who approached the conference negotiations in the spirit of bipartisanship and whose leadership allowed us to craft this compromise legislation. I thank Senators Hollings, Leahy, Sarbanes, and Wyden, and Representatives Dingell and Markey, for their excellent efforts and teamwork, and Representatives Eshoo, Inslee, and Lofgren for their continuing efforts to promote electronic commerce. I also thank Secretaries Daley and Summers, and Commerce Department General Counsel, Andy Pincus, for their leadership.

WILLIAM J. CLINTON

The White House,
June 30, 2000.

NOTE: S. 761, approved June 30, was assigned Public Law No. 106-229.

Remarks at a Democratic Senatorial Campaign Committee Luncheon in Englewood, New Jersey

June 30, 2000

Thank you. Well, thank you very much, Jon. Thank you for running. I'm going to say more about it in a moment. I'd like to begin by thanking Hilary and Orin for having us in their home. What a beautiful, beautiful day this is, not too hot. It's been real hot in Washington. And I want to thank all of you for coming. Some of you, I think, are here because you're Jon's friends. Some of you are here because you're good, loyal supporters of the national and the New Jersey Democratic efforts. And I hope all of you are here because you believe in what's at stake.

I want to say, I've never had a chance to say this in his district before, but I am very

impressed and grateful for the work that Representative Rothman is doing in the House of Representatives, and I think he's great, and I thank you for doing it. And I'm glad Bob Janiszewski and Ray Lesniak are here. They were for me for President when my mother was the only person in America who thought I could run. [*Laughter*] And I lost my voice and couldn't even talk, and no one knew who I was. It's very hazardous to lose your voice when you have zero name recognition. [*Laughter*]

Senator Baer, thank you for being here. And Assemblyman Zisa, thank you. And Assemblywoman Weinberg, I thought that was