## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE RESOLUTION

No. 121

Session of 2021

INTRODUCED BY N. NELSON, PISCIOTTANO, KENYATTA, RYAN, JAMES, SANCHEZ AND LEE, JULY 30, 2021

REFERRED TO COMMITTEE ON COMMERCE, JULY 30, 2021

## A CONCURRENT RESOLUTION

- 1 Establishing the Blockchain Working Group.
- 2 WHEREAS, The General Assembly finds and declares as follows:
- 3 (1) Blockchain is a tamper-proof digital transaction
- 4 ledger that leverages a network of computers that each
- 5 contribute processing power.
- 6 (2) The global blockchain market size was estimated at 3
- 7 billion United States dollars in 2020, and is projected to
- 8 grow to nearly \$40 billion by 2025.
- 9 (3) The most widely known application of blockchain
- 10 technology is cryptocurrency, a digital currency that can be
- 11 exchanged for goods and services. The total value of all
- cryptocurrency as of April 13, 2021, was more than \$2.2
- 13 trillion.
- 14 (4) Blockchain can be valuable far beyond
- 15 cryptocurrency, having potential value across many
- industries. Current or future uses for blockchain include
- monitoring supply chains, medical recordkeeping, safeguarding

- 1 title transfers, digital identification and financial
- 2 recordkeeping and transactions.
- 3 (5) At present, blockchain is a regulatory gray area
- 4 that states have attempted to address. In 2019, at least 32
- 5 states introduced legislation addressing blockchain
- 6 technology. As of March 16, 2021, 16 states have introduced
- 7 legislation addressing blockchain technology.
- 8 (6) In order to keep Pennsylvania at the forefront of
- 9 technological innovation and to allow Pennsylvania businesses
- 10 to compete by reaping the benefits of this growing
- 11 technology, careful research should be conducted to determine
- the appropriate statutory and regulatory structure for
- 13 blockchain in this Commonwealth;
- 14 therefore be it
- 15 RESOLVED (the Senate concurring), That the Blockchain Working
- 16 Group be established; and be it further
- 17 RESOLVED, That the working group consist of the following
- 18 members, appointed within 90 days of the adoption of this
- 19 resolution:
- 20 (1) Eight members having knowledge and experience in
- 21 blockchain technology or representing an industry that would
- 22 benefit from the use of blockchain technology, as follows:
- (i) Four members appointed by the President pro
- tempore of the Senate, in consultation with the Majority
- Leader and the Minority Leader of the Senate.
- 26 (ii) Four members appointed by the Speaker of the
- 27 House of Representatives, in consultation with the
- 28 Majority Leader and the Minority Leader of the House of
- 29 Representatives.
- 30 (2) One member of the Senate appointed by the President

- 1 pro tempore of the Senate, in consultation with the Majority
- 2 Leader and the Minority Leader of the Senate.
- 3 (3) One member of the House of Representatives appointed
- 4 by the Speaker of the House of Representatives, in
- 5 consultation with the Majority Leader and the Minority Leader
- of the House of Representatives.
- 7 (4) Four members appointed by the Governor as follows:
- 8 (i) Two members representing institutions of higher
- 9 education.
- 10 (ii) Two members of the general public.
- 11 (5) The Secretary of the Commonwealth or a designee who
- shall be an employee of the Department of State.
- 13 (6) The Secretary of Community and Economic Development
- or a designee who shall be an employee of the Department of
- 15 Community and Economic Development;
- 16 and be it further
- 17 RESOLVED, That the Governor select the chairperson of the
- 18 working group; and be it further
- 19 RESOLVED, That the working group conduct its business as
- 20 follows:
- 21 (1) The physical presence of nine members constitutes a
- 22 quorum of the working group.
- 23 (2) Action of the working group shall be authorized or
- ratified by a majority vote of its members.
- 25 (3) A member not physically present may participate by
- teleconference or video conference.
- 27 (4) The following shall apply:
- 28 (i) The working group shall meet as necessary but no
- 29 fewer than five times prior to December 31, 2022.
- 30 Additional meetings may be called by the chairperson as

- 1 necessary.
- 2 (ii) The chairperson shall schedule a meeting upon
- 3 written request of nine members of the working group.
- 4 (iii) The first meeting shall be convened within 45 days.
- 6 (iv) The working group shall hold public hearings as
  7 necessary to obtain the information required to conduct
  8 its review.
- 9 (v) The Department of State and the Department of
  10 Community and Economic Development shall cooperate to
  11 provide administrative or other assistance to the working
  12 group.
- (vi) Members shall not receive compensation but

  shall be reimbursed for reasonable and necessary expenses

  incurred in service of the working group;
- 16 and be it further
- 17 RESOLVED, That the chair of the working group may create sub-
- 18 work groups at the chair's discretion for the efficient
- 19 operation of the work group, subject to the following:
- 20 (1) The chair shall appoint the chair of each sub-work group.
- 22 (2) The chair of a sub-work group may invite other 23 members of the work group to serve on the sub-work group.
- 24 (3) A sub-work group may consult with subject matter 25 experts;
- 26 and be it further
- 27 RESOLVED, That the working group have the following duties:
- 28 (1) To develop a master plan for the expansion of the
  29 blockchain industry in this Commonwealth and recommend
  30 policies and State investments in connection with blockchain

1 technology. In developing the master plan, the work group

2 shall:

3 (i) identify economic growth and development
4 opportunities presented by blockchain technology;

- 5 (ii) assess the existing blockchain industry in this 6 Commonwealth;
- 7 (iii) review workforce needs and academic programs
  8 required to build blockchain expertise across all
  9 relevant industries; and
- (iv) make any legislative recommendations that will
  help promote innovation and economic growth by reducing
  barriers to and expediting the expansion of this
  Commonwealth's blockchain industry based on its findings
  under paragraph (1), (2) or (3) of this subsection.
- 15 (2) To accept and review written comments from individuals and organizations.
- 17 (3) Not later than December 31, 2022, submit a report to
  18 the Governor, the Senate and the House of Representatives
  19 that includes the master plan and any findings and
  20 recommendations from any sub-work groups;
- 21 and be it further
- 22 RESOLVED, That this working group expire December 31, 2022.