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HOUSE BILL 1729

State of Washington 67th Legislature 2022 Regular Session

By Representatives Senn, Paul, Ryu, and Leavitt

Prefiled 01/03/22. Read first time 01/10/22. Referred to Committee on Community & Economic Development.

- 1 AN ACT Relating to establishing the Washington blockchain work 2 group; creating a new section; and providing an expiration date.
- 2 group; creating a new section; and providing an expiration date
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) Subject to the availability of amounts 4 5 appropriated for this specific purpose, the Washington blockchain 6 work group is established. The purpose of the work group is to 7 examine various potential applications of and policies for blockchain technology including, but not limited to, applications in computing, 8 banking and other financial services, the real estate transaction 9 10 process, health care, supply chain management, higher education, 11 identity verification, and public recordkeeping to help attract and 12 support employees and new businesses with a supportive ecosystem.
 - (2) The work group is composed of the following members:
- 14 (a) One senator from each of the two largest caucuses of the 15 senate, appointed by the president of the senate;
- 16 (b) One representative from each of the two largest caucuses of 17 the house of representatives, appointed by the speaker of the house 18 of representatives;
- 19 (c) The lieutenant governor, or the lieutenant governor's 20 designee;

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- 1 (d) A cybersecurity expert with experience in blockchain 2 technology or its application;
- 3 (e) An individual representing a Washington-based technology 4 trade association for the full cross-section of the technology 5 sector;
 - (f) An individual from the Cascadia blockchain council;

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- 7 (g) An individual from a higher education institution in the 8 field of blockchain;
- 9 (h) An individual representing a trade association for financial services companies that do business in Washington;
 - (i) An individual representing a trade association for title insurance companies that do business in Washington;
 - (j) An individual representing a trade association for health care companies that do business in Washington;
- 15 (k) An individual representing an association for county 16 government officials in Washington;
 - (1) An individual representing a trade association for Washington-based agriculture;
 - (m) An individual representing a trade association for property and casualty insurance companies that do business in Washington;
- 21 (n) An individual representing an association for public utility 22 districts in Washington;
 - (o) An individual representing a consumer advocacy organization;
 - (p) An individual representing a large company who has experience working with blockchain applications; and
 - (q) An individual representing a small company who has experience working with blockchain applications.
 - (3) The individuals listed in subsection (2)(d) through (q) of this section must be designated by their organization or association or the lieutenant governor.
 - (4) In addition to the members listed in subsection (2) of this section, the following individuals shall serve as ex officio members of the work group: The director of the department of commerce, or the director's designee; the director of the department of financial institutions, or the director's designee; the director of Washington technology solutions, the consolidated technology services agency, or the director's designee; the director of the department of agriculture, or the director's designee; the insurance commissioner or the insurance commissioner's designee; and the director of the department of ecology, or the director's designee.

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(5) In addition to the members of the work group under subsections (2) and (4) of this section, individuals representing other sectors may be invited by the chair, in consultation with the other appointed members of the work group, to participate in an advisory capacity in meetings of the work group. Individuals participating in an advisory capacity under this subsection are not members of the work group, may not vote, and are not subject to the appointment process established in this section. There is no limit to the number of individuals who may participate in work group meetings in an advisory capacity under this subsection.

- (6) A majority of the work group members constitutes a quorum. If a member has not been designated for a position set forth in this section, that position may not be counted for the purpose of determining a quorum.
- (7) The work group shall hold its inaugural meeting by August 1, 2022. The work group shall elect a chair from among its members at the inaugural meeting. The election of the chair must be by a majority vote of the work group members who are present at the inaugural meeting. The chair of the work group is responsible for arranging subsequent meetings and developing meeting agendas.
- (8) Staff support for the work group, including arranging the inaugural meeting of the work group and assisting the chair of the work group in arranging subsequent meetings, must be provided by the office of the lieutenant governor.
- (9) Legislative members of the work group may be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.
 - (10) The work group is a class one group under chapter 43.03 RCW.
- (11) A public comment period must be provided at every meeting of the work group.
 - (12) The work group shall submit a report to the governor and the appropriate committees of the legislature by December 1, 2023, on recommended policies that will facilitate the development of blockchain applications and the sector overall in Washington, grow the related workforce, evaluate environmental advantages and concerns, make Washington a favorable place to do business, and improve the lives of Washington residents.

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1 (13) This section expires January 1, 2024. The work group is dissolved upon the expiration of this section.

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