ENGROSSED SUBSTITUTE SENATE BILL 5544

State of Washington 67th Legislature 2022 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Brown, Dozier, Frockt, Hasegawa, Mullet, Rolfes, Short, Wagoner, Wellman, and L. Wilson)

READ FIRST TIME 02/02/22.

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- 1 AN ACT Relating to establishing the Washington blockchain work
- 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 for blockchain technology including, but not limited to, applications in computing, banking and 8 other financial services, the real estate transaction process, health 9 10 supply chain management, higher care, education, and public 11 recordkeeping.
 - (2) The work group is composed of the following members:
- 13 (a) One senator from each of the two largest caucuses of the senate, appointed by the president of the senate;
- 15 (b) One representative from each of the two largest caucuses of 16 the house of representatives, appointed by the speaker of the house 17 of representatives;
- 18 (c) The secretary of state or the secretary of state's designee;
- 19 (d) The director of the department of commerce or the director's 20 designee;

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1 (e) The director of the department of financial institutions or 2 the director's designee;

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- (f) The director of Washington technology solutions, the consolidated technology services agency, or the director's designee;
- (g) The director of the department of agriculture or the director's designee;
- 7 (h) The director of the health care authority or the director's 8 designee;
- 9 (i) An individual representing a Washington-based technology 10 trade association for the full cross-section of the technology 11 sector;
- 12 (j) An individual representing a trade association for financial services companies that do business in Washington;
- 14 (k) An individual representing a trade association for title 15 insurance companies that do business in Washington;
- 16 (1) An individual representing a trade association for health 17 care companies that do business in Washington;
 - (m) An individual representing an association for county government officials in Washington;
- 20 (n) An individual representing a trade association for 21 Washington-based agriculture;
 - (o) An individual representing a trade association for property and casualty insurance companies that do business in Washington;
 - (p) An individual representing a federally recognized tribe located in Washington;
- 26 (q) An individual representing an environmental advocacy 27 organization with expertise in energy policy;
 - (r) An individual representing an environmental advocacy organization with expertise in sustainability; and
- 30 (s) An individual representing an association for public utility 31 districts in Washington.
- 32 (3) The individuals appointed under subsection (2)(i) through (s) 33 of this section must be appointed by the governor.
 - (4) In addition to the members appointed to the work group under subsection (2) 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

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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.

- (5) 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.
- (6) The work group must hold its inaugural meeting by August 1, 2022. The work group must 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.
- (7) 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 department of commerce.
- (8) 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.
 - (9) The work group is a class one group under chapter 43.03 RCW.
- (10) A public comment period must be provided at every meeting of the work group.
- (11) The work group must submit a report on potential uses and impacts of blockchain, including impacts on existing industries, utilities, demand for electricity, and demand for computer processing capacity, and recommended policies that will facilitate the development of blockchain applications in Washington to the governor and the appropriate committees of the legislature by December 1, 2023.
- 34 (12) This section expires January 1, 2024. The work group is dissolved upon the expiration of this section.

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