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**HOUSE JOINT RESOLUTION NO. 677**  
**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the Senate Committee on Rules  
on February 18, 2019)

(Patron Prior to Substitute—Delegate Rush)

*Establishing a joint subcommittee to study the emergence and integration of blockchain technology in the economy of the Commonwealth. Report.*

WHEREAS, the Commonwealth has a tradition of excellence in promoting, assisting, and leading in the development of traditional and emerging industries, with coordination with both large enterprises and individual entrepreneurs; and

WHEREAS, it is in the interest of the Commonwealth to continue this excellence in promoting, assisting, and leading the development of blockchain technology for use in both private and public capacities; and

WHEREAS, Merriam-Webster defines a blockchain as "a digital database containing information (such as records of financial transactions) that can be simultaneously used and shared within a large decentralized, publicly accessible network"; and

WHEREAS, blockchain technology has already begun to affect the Commonwealth and will continue to have a profound impact in such areas as government records, voter integrity, health care, education, manufacturing, and financial transactions; and

WHEREAS, blockchain technology has the potential to change the landscape of virtually every recorded transaction, including identity-based transactions of state government; and

WHEREAS, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Maine, Maryland, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Tennessee, Vermont, and Wyoming are among the states that have already passed legislation concerning blockchain technology; and

WHEREAS, in order to promote a healthy, robust economy, it is the duty of the Commonwealth to continually examine new and emerging technology opportunities; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study the emergence and integration of blockchain technology in the economy of the Commonwealth. The joint subcommittee shall identify blockchain technology research and economic development opportunities with the goal of creating a statewide comprehensive and coordinated strategy relating to blockchain technology. The joint subcommittee shall have a total membership of 21 members that shall consist of 12 legislative members, six nonlegislative citizen members, and three ex officio members. Members shall be appointed as follows: six members of the House of Delegates to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; six members of the Senate to be appointed by the Senate Committee on Rules; three nonlegislative citizen members who are members of the technology industry and have demonstrated knowledge of blockchain technology and its uses to be appointed by the Speaker of the House of Delegates; and three nonlegislative citizen members who are members of the technology industry and have demonstrated knowledge of blockchain technology and its uses to be appointed by the Senate Committee on Rules. The Chief Information Officer of the Commonwealth, the Secretary of Commerce and Trade, and the Secretary of Education or their designees shall serve ex officio with nonvoting privileges. Nonlegislative citizen members of the joint subcommittee shall be citizens of the Commonwealth of Virginia. Unless otherwise approved in writing by the chairman of the joint subcommittee and the respective Clerk, nonlegislative citizen members shall only be reimbursed for travel originating and ending within the Commonwealth of Virginia for the purpose of attending meetings pursuant to § 2.2-2823. If a companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall be required. The joint subcommittee shall elect a chairman and vice-chairman from among its membership, who shall be members of the General Assembly.

In conducting its study, the joint subcommittee shall analyze and consider (i) economic development opportunities in the Commonwealth available through the utilization of blockchain technology; (ii) different types of blockchain technology and the feasibility of economic development for each type; (iii) the creation of a statewide comprehensive and coordinated strategy to encourage commercial activity in the blockchain technology sector; (iv) opportunities for deployment of blockchain technology in state government; and (v) strategies to incentivize the development of blockchain companies in the Commonwealth.

Administrative staff support shall be provided by the Office of the Clerk of the House of Delegates. Legal, research, policy analysis, and other services as requested by the joint subcommittee shall be

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60 provided by the Division of Legislative Services. Technical assistance shall be provided by the Virginia  
61 Information Technologies Agency. All agencies of the Commonwealth shall provide assistance to the  
62 joint subcommittee for this study, upon request.

63 The joint subcommittee shall be limited to four meetings for the 2019 interim and four meetings for  
64 the 2020 interim, and the direct costs of this study shall not exceed \$29,760 for each year without  
65 approval as set out in this resolution. Approval for unbudgeted nonmember-related expenses shall require  
66 the written authorization of the chairman of the joint subcommittee and the respective Clerk. If a  
67 companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall  
68 be required.

69 No recommendation of the joint subcommittee shall be adopted if a majority of the House members  
70 or a majority of the Senate members appointed to the joint subcommittee (i) vote against the  
71 recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the  
72 joint subcommittee.

73 The joint subcommittee shall complete its meetings for the first year by November 30, 2019, and for  
74 the second year by November 30, 2020, and the chairman shall submit to the Division of Legislative  
75 Automated Systems an executive summary of its findings and recommendations no later than the first  
76 day of the next Regular Session of the General Assembly for each year. Each executive summary shall  
77 state whether the joint subcommittee intends to submit to the General Assembly and the Governor a  
78 report of its findings and recommendations for publication as a House or Senate document. The  
79 executive summaries and reports shall be submitted as provided in the procedures of the Division of  
80 Legislative Automated Systems for the processing of legislative documents and reports and shall be  
81 posted on the General Assembly's website.

82 Implementation of this resolution is subject to subsequent approval and certification by the Joint  
83 Rules Committee. The Committee may approve or disapprove expenditures for this study, extend or  
84 delay the period for the conduct of the study, or authorize additional meetings during the 2019 and 2020  
85 interims.