

State Corporation Commission 2023 Fiscal Impact Statement

1. Bill Number: HB 1727

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input checked="" type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Head

3. Committee: Commerce and Labor

4. Title: Credit unions; virtual currency custody services.

5. Summary: Permits any credit union in the Commonwealth to engage in virtual currency custody services so long as the credit union has adequate protocols in place to effectively manage the associated risks and comply with applicable laws. Prior to offering such services, the bill requires the credit union to complete a self-assessment process to examine the risks.

The bill allows the credit union to provide such services in a fiduciary or nonfiduciary capacity, but before providing such services in a fiduciary capacity, the credit union must obtain authorization from the Commission. The bill sets forth specific requirements that must be met by the credit union before the Commission shall grant such authority. The bill permits the Commission to impose conditions on the authority granted and to suspend or revoke such authority if it finds the credit union failed to comply with any laws or regulations applicable to virtual currency custody services or any existing conditions imposed by the Commission or if the services are provided in an unsafe or unsound manner.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: There is no anticipated fiscal impact on the State Corporation Commission.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: No

11. Other Comments: None