

STATE OF NEW YORK

8783--A

2017-2018 Regular Sessions

IN ASSEMBLY

November 27, 2017

Introduced by M. of A. VANEL, KIM, LENTOL, WOERNER, SIMON, LUPARDO, TITONE, RAIA, MONTESANO, RA, AUBRY, GALEF, WRIGHT, MOSLEY, BARRON, SKOUFIS, PICHARDO, BLAKE, RIVERA, NIOU -- Multi-Sponsored by -- M. of A. ABINANTI, DE LA ROSA, DenDEKKER, GIGLIO -- read once and referred to the Committee on Banks -- recommitted to the Committee on Banks in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to establish the digital currency task force; and providing for the repeal of such provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The legislature hereby establishes the New York state
2 digital currency task force (referred to hereinafter as the "task
3 force") to provide the governor and the legislature with information on
4 the effects of the widespread use of cryptocurrencies and other forms of
5 digital currencies and their ancillary systems in the state.
6 § 2. 1. The task force shall consist of nine members as follows:
7 a. three members appointed by the governor;
8 b. two members appointed by the temporary president of the senate;
9 c. two members appointed by the speaker of the assembly;
10 d. one member appointed by the minority leader of the senate; and
11 e. one member appointed by the minority leader of the assembly.
12 2. The members of the task force shall receive no compensation for
13 their services, but shall be allowed their actual and necessary expenses
14 incurred in the performance of their duties pursuant to this act.
15 3. Any vacancies in the membership of the task force shall be filled
16 in the same manner provided for in the initial appointment.
17 4. The task force may consult with any organization, government enti-
18 ty, or person, in the development of its report required under section
19 three of this act.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 § 3. On or before December 15, 2019, the task force shall submit to
2 the governor, the temporary president of the senate and the speaker of
3 the assembly a report containing, but not limited to, the following
4 information based on available data:

- 5 a. a review of the impact of the department of financial services'
6 regulations on the development of digital currency, cryptocurrency and
7 blockchain industries in New York state;
- 8 b. the number of digital currencies currently being traded and their
9 approximate percentage of market share;
- 10 c. the number of exchanges operating in New York state and their aver-
11 age monthly trade volume;
- 12 d. the use of digital currencies' impact on state and local tax
13 receipts;
- 14 e. the types of investment entities that are large investors in
15 digital currency;
- 16 f. the energy consumption necessary for coin mining operations and
17 other policy considerations related thereto;
- 18 g. the transparency of the digital currency marketplace and the
19 related potential of market manipulation and other illegal activities;
- 20 h. a review of laws and regulations on digital currency used by other
21 states, the federal government, foreign countries, and foreign political
22 and economic unions to regulate the marketplace; and
- 23 i. legislative and regulatory recommendations, if any, to increase
24 transparency and security, enhance consumer protections, and to address
25 the long term impact related to the use of cryptocurrency.

26 § 4. This act shall take effect immediately and shall expire December
27 15, 2019 when upon such date the provisions of this act shall be deemed
28 repealed.