

STATE OF NEW YORK

9275

IN ASSEMBLY

February 9, 2022

Introduced by M. of A. VANEL -- read once and referred to the Committee on Banks

AN ACT in relation to establishing the New York state cryptocurrency and blockchain study 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. Short title. This act shall be known and may be cited as
2 the "New York state cryptocurrency and blockchain study act".
- 3 § 2. There is hereby established the New York state cryptocurrency and
4 blockchain study task force (hereinafter referred to as "the task
5 force") to provide the governor and the legislature with information on
6 the effects of the widespread use of cryptocurrencies and other forms of
7 digital currencies and their ancillary systems, including but not limit-
8 ed to blockchain technology, in the state.
- 9 § 3. 1. The task force shall consist of sixteen members as follows:
- 10 a. seven members appointed by the governor, which shall include the
11 following five members:
- 12 i. the superintendent of the department of financial services, or his
13 or her designee;
- 14 ii. the commissioner of the department of environmental conservation,
15 or his or her designee;
- 16 iii. a representative from the financial services industry;
- 17 iv. a representative from a state or national organization promoting
18 environmental conservation; and
- 19 v. a representative who is a faculty member of an accredited college
20 or university in New York state with experience in economic studies.
- 21 b. the comptroller of the State of New York, or his or her designee.
- 22 c. four members appointed by the temporary president of the senate;
23 and
- 24 d. four members appointed by the speaker of the assembly.
- 25 2. To the extent practicable, members appointed to the task force
26 shall have relevant experience and knowledge concerning the digital
27 currency, cryptocurrency and blockchain industries.

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

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1 3. The members of the task force shall receive no compensation for
2 their services, but shall be allowed their actual and necessary expenses
3 incurred in the performance of their duties pursuant to this act.

4 4. Any vacancies in the membership of the task force shall be filled
5 in the same manner provided for in the initial appointment.

6 5. The task force may consult with any organization, government enti-
7 ty, or person, in the development of its report required under section 4
8 of this act.

9 6. The members of the task force shall be appointed no later than
10 ninety days after the effective date of this act.

11 § 4. On or before December 15, 2024, the task force shall submit to
12 the governor, the temporary president of the senate and the speaker of
13 the assembly a report containing, but not limited to, the following
14 information based on available data:

15 a. a review of the digital currency, cryptocurrency and blockchain
16 industries in New York state;

17 b. the number of digital currencies currently being traded and their
18 approximate percentage of market share;

19 c. the number of exchanges operating in New York state and their aver-
20 age monthly trade volume;

21 d. the use of digital currencies' impact on state and local tax
22 receipts;

23 e. the types of investment entities that are large investors in
24 digital currency;

25 f. the energy consumption necessary for coin mining operations and
26 other policy considerations related thereto;

27 g. the environmental impact of coin mining operations;

28 h. the transparency of the digital currency marketplace and the
29 related potential of market manipulation and other illegal activities;

30 i. a review of laws and regulations on digital currency used by other
31 states, the federal government, foreign countries, and foreign political
32 and economic unions to regulate the marketplace; and

33 j. legislative and regulatory recommendations, if any, to increase
34 transparency and security, enhance consumer protections, and to address
35 the long-term impact related to the use of cryptocurrency.

36 § 5. This act shall take effect immediately and shall expire December
37 15, 2024 when upon such date the provisions of this act shall be deemed
38 repealed.