

# STATE OF NEW YORK

954

2023-2024 Regular Sessions

## IN ASSEMBLY

January 11, 2023

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.

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

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1 2. To the extent practicable, members appointed to the task force  
2 shall have relevant experience and knowledge concerning the digital  
3 currency, cryptocurrency and blockchain industries.

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

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

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

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

14 § 4. On or before December 15, 2025, the task force shall submit to  
15 the governor, the temporary president of the senate and the speaker of  
16 the assembly a report containing, but not limited to, the following  
17 information based on available data:

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

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

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

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

26 e. the types of investment entities that are large investors in  
27 digital currency;

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

30 g. the environmental impact of coin mining operations;

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

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

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

39 § 5. This act shall take effect immediately and shall expire December  
40 15, 2025 when upon such date the provisions of this act shall be deemed  
41 repealed.