



BITCOIN BLUEPRINT FOR BLUE STATES

A practical guide to advancing Bitcoin policy
in Democratic-leaning states — from messaging
frameworks to model legislation.

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About This Guide

The **Bitcoin Blueprint for Blue States** is a practical guide for anyone working to advance sound Bitcoin policy in Democratic-leaning states. It distills lessons learned from Rhode Island's experience introducing multiple Bitcoin bills in one of the most progressive legislatures in America.

This guide was written for state-level policy researchers, grassroots organizers, and anyone who finds themselves explaining to a skeptical lawmaker why Bitcoin isn't just for libertarians. It covers messaging frameworks, model legislation, tactical advice for working with legislators, and a detailed playbook for building your own state-level Bitcoin policy organization.

Who is this for?

State-level Bitcoin policy advocates, especially in blue and purple states. Legislative staffers exploring digital asset policy. Anyone who needs to make the case that Bitcoin is a nonpartisan issue that benefits working people.

About RIBPI

The **Rhode Island Bitcoin Policy Initiative (RIBPI)** is a nonpartisan research and education organization advancing sound Bitcoin and digital asset policy at the state and federal level. Founded in Rhode Island — a state that ranks 50th in business friendliness and 40th in tax competitiveness — RIBPI has demonstrated that Bitcoin policy can gain traction even in the most challenging regulatory environments.

In 2026 alone, RIBPI helped introduce or supported six Bitcoin-related bills in the Rhode Island General Assembly, covering tax treatment, private key protection, blockchain study, regulatory sandboxes, and economic development.

How to Use This Guide

- **At a conference?** Start with the Quick-Reference Messaging Cheat Sheet (Part 1) and the Policy Menu overview (Part 2).
- **Preparing for a meeting with a lawmaker?** Read Part 1 (Messaging Framework) and Part 5 (Objection Handling).
- **Ready to introduce legislation?** Part 2 (Policy Menu) provides bill archetypes with model language and state precedent.
- **Building an organization?** Part 4 walks through forming a state-level Bitcoin policy group from scratch.

Contents

About This Guide

PART 1: THE MESSAGING FRAMEWORK

Why Bitcoin Is Nonpartisan

The 1971 Frame: What Happened to the Dollar

Speaking to Progressive Values

Quick-Reference Messaging Cheat Sheet

PART 2: THE POLICY MENU

Bill Archetype 1: Study Commission

Bill Archetype 2: Tax De Minimis Exemption

Bill Archetype 3: Private Key Protection

Bill Archetype 4: Regulatory Sandbox / SPDIs

Bill Archetype 5: Strategic Reserve (Advanced)

The State Precedent Landscape

Federal Policy Context

PART 3: THE TACTICAL PLAYBOOK

Finding Sponsors and Building Coalitions

Delivering Effective Testimony

Working With Staffers and Committees

Media and Public Messaging

PART 4: BUILDING YOUR STATE ORGANIZATION

Why You Need a Dedicated Organization

Structure, Registration, and Branding

The RIBPI Model

PART 5: OBJECTION HANDLING

Detailed Rebuttals With Data

Key Statistics Reference Sheet

PART 1

THE MESSAGING FRAMEWORK

How to talk about Bitcoin to Democratic lawmakers — and why it works.

Why Bitcoin Is Nonpartisan

The single most important thing to understand before walking into a blue-state legislator's office is this: **Bitcoin is not a partisan issue.** It has been treated as one — lumped in with crypto speculation, libertarian ideology, and Silicon Valley disruption narratives — but the underlying problems Bitcoin addresses cut across every political divide.

Monetary inflation erodes the purchasing power of wages. It makes housing unaffordable. It widens wealth inequality. It punishes savers and rewards those closest to the money printer — a phenomenon economists call the Cantillon Effect. These are not Republican or Democratic problems. They are structural failures of the monetary system, and they disproportionately harm the people that progressive policymakers claim to champion.

When you frame Bitcoin as a tool for monetary justice rather than a speculative asset, the conversation changes entirely.

***The Core Reframe:** Bitcoin is not a get-rich-quick scheme. It is a technology that enforces monetary discipline — a fixed supply of 21 million coins that cannot be debased by any government, central bank, or corporation. For people concerned about wealth inequality, purchasing power, and financial inclusion, this should be the most exciting monetary development in a generation.*

The 1971 Frame: What Happened to the Dollar

The most powerful data set in your arsenal is what happened after 1971, when the United States abandoned the Bretton Woods agreement and severed the dollar's link to gold. The consequences are visible in virtually every measure of economic wellbeing:

**2.4x →
5.6x**

Home price-to-income (1971 vs. 2024)

**12% →
40%**

College cost as % of household income

5% → 18%

Healthcare spending as % of GDP

**35% →
50%**

Top 1% share of wealth

These numbers are not about Bitcoin. They are about what happens when money can be created without limit. The dollar has lost 97% of its purchasing power since the Federal Reserve was established in 1913. Median real wages have been essentially flat for fifty years. The financial sector's share of GDP doubled from 4% to 8%, and its share of corporate profits tripled.

This is the opening argument for any conversation with a progressive lawmaker: **the current monetary system is the single largest driver of the inequality they spend their careers fighting.** Bitcoin offers an alternative — not a perfect one, not an overnight fix, but the first credible hard money technology in the digital age.

The Human Cost

Beyond economics, the erosion of purchasing power has driven measurable social decline:

Metric	1970s	2024	Change
Marriage rate (under 45)	75%	45%	-30 pts
Young adults living with parents	12%	33%	+21 pts
Institutional trust	65%	31%	-34 pts
Anxiety disorder prevalence	5-10%	20%	+10-15 pts

When young people cannot afford homes or families, when they distrust every institution, the root cause is often economic — and the root of the economic cause is monetary.

Speaking to Progressive Values

The mistake most Bitcoin advocates make in blue states is leading with the wrong arguments. Talking about "freedom from government" or "censorship resistance" may resonate in libertarian circles, but it actively alienates progressive lawmakers who see government as a tool for good. Here are the frames that work:

Wealth Inequality and Monetary Justice

The Cantillon Effect — the principle that newly created money benefits those closest to its source first — is the most underappreciated driver of wealth inequality. When the Federal Reserve creates money, it flows first to banks, then to asset holders, and only eventually to wage earners. By that time, prices have already risen. The result is a systematic transfer of wealth from workers to asset holders.

- **Use this data:** "The top 1% held 35% of wealth in 1971. Today it's 50%. That didn't happen because workers got lazier — it happened because the money system was changed."
- **Use this frame:** "Sound money protects the purchasing power of wages. Bitcoin's fixed supply means no one can debase it — not a government, not a bank, not a billionaire."

Financial Inclusion

1.4 billion adults worldwide remain unbanked. In the United States, millions more are underbanked — paying exorbitant fees for basic financial services. Bitcoin requires no bank account, no credit score, and no permission from a financial institution.

- **Remittance savings:** Traditional remittance fees average 6.5%. Lightning Network remittances cost \$2-4 total vs. ~\$19.50 traditional — saving families ~\$186/year.
- **Self-custody:** "Bitcoin enables self-custody — no bank required, no credit score needed. For communities that have been historically excluded from the banking system, this is transformative."

Transparency and Accountability

Bitcoin's public ledger is the most transparent financial system ever created. Every transaction is recorded permanently and can be audited by anyone. This is the opposite of the opacity that characterizes the traditional banking system.

- Less than 1% of Bitcoin transactions are associated with criminal activity (Chainalysis).
- Cash is far more anonymous than Bitcoin — and the FBI and IRS have successfully used blockchain analysis to solve major criminal cases.
- "If you care about financial transparency, Bitcoin's public ledger should excite you, not scare you."

Energy and Environment

The environmental objection is the single most common concern from progressive lawmakers, and it must be addressed head-on with data — not deflection:

52.4%

Sustainable energy in Bitcoin mining

8.9%

Coal share (down from 36.6% in 2022)

0.7-0.8%

Share of global electricity

151B m³

Flared gas that mining can monetize

Bitcoin miners are the world's most price-sensitive electricity buyers. They migrate toward the cheapest energy sources, which are increasingly renewables and waste energy. Mining operations can monetize stranded energy sources — like flared natural gas — that would otherwise be wasted. Companies like Crusoe Energy achieve 99.89% methane combustion efficiency, compared to 91-92% for traditional flaring.

The policy solution for environmentally-conscious states: require any government-affiliated mining operations to meet clean energy standards. Don't ban the technology — channel it.

Quick-Reference Messaging Cheat Sheet

Cut out or screenshot this page. Use these frames when speaking with progressive lawmakers.

Their Concern	Your Frame	Key Data
"Bitcoin is for rich speculators"	74% of Bitcoin owners hold less than 0.01 BTC. The median lifetime crypto investment is ~\$620.	JP Morgan Chase Institute, 2024
"It widens inequality"	The current monetary system is the primary driver of inequality. The Cantillon Effect transfers wealth from workers to asset holders.	Top 1% wealth: 35% (1971) to 50% (2024)
"It wastes energy"	52.4% of mining uses sustainable energy. Coal dropped from 36.6% to 8.9% since 2022. Miners monetize waste energy.	Cambridge Bitcoin Electricity Consumption Index
"Criminals use it"	Less than 1% of transactions are criminal. Bitcoin's public ledger makes it the worst tool for crime. Cash is far more anonymous.	Chainalysis annual crime report
"It's too volatile"	We're not asking anyone to invest. De minimis exemptions and study commissions are low-risk policy tools. Every 4-year period in Bitcoin's history has been positive.	Historical returns data
"This picks winners"	We treat different assets differently already (gold vs. stocks vs. real estate). Bitcoin's commodity status and decentralization make it fundamentally distinct.	CFTC commodity classification
"We can't afford the revenue loss"	RI's de minimis exemption costs \$500K-\$2.5M/yr — that's 0.01-0.04% of general revenue. The signaling value of being innovation-friendly far exceeds the cost.	RI fiscal analysis, 2026

Golden Rule: *Lead with data, not ideology. Lead with problems they already care about — housing, wages, inequality, inclusion — then show how sound money addresses them. Never lead with Bitcoin; lead with the problem Bitcoin solves.*

PART 2

THE POLICY MENU

Five bill archetypes for blue states, from low-friction entry points to ambitious reforms.

Not every state is ready for the same legislation. Rhode Island's experience shows that a portfolio approach works best: introduce multiple bills at different ambition levels, so lawmakers can engage wherever they're comfortable. Below are five bill archetypes, ordered from easiest to pass to most ambitious.

Archetype	Difficulty	Political Risk	RI Example
Study Commission	Low	Minimal — just a study	H.7956 / S.2198
Tax De Minimis Exemption	Medium	Low — small fiscal impact	S.2021
Private Key Protection	Medium	Low — civil rights frame	H.7957 / S.2196
Regulatory Sandbox / SPDIs	Med-High	Moderate — new framework	H.7413
Strategic Reserve	High	High — public funds in Bitcoin	Not yet introduced

Archetype 1: Blockchain Study Commission

The safest starting point — and often the most strategically important.

Why start here: A study commission commits the state to nothing except learning. It is the proper mechanism for informed policymaking, and it is extremely difficult for any lawmaker to argue against studying an issue. Once established, the commission creates an institutional home for Bitcoin policy discussions and produces recommendations that carry legislative weight.

The Rhode Island Model: H.7956 / S.2198

- **Structure:** 180-day interim report plus a final report with draft legislation.

- **Scope:** Government applications (voting, land registries, licensing), economic development, regulatory frameworks, workforce development.
- **Prior art:** S.0373 passed the Rhode Island Senate **unanimously** in 2025 — but never received a House vote. The companion bill strategy in 2026 addresses this.

The Wyoming Precedent

Wyoming's 2018 Blockchain Task Force is the gold standard. It led directly to 50+ blockchain-friendly laws, attracted Kraken's headquarters relocation, and established Wyoming as a national leader in digital asset policy. Virginia (SB 439), Illinois, Montana, Louisiana, and Alabama have followed suit. A study commission is not a radical proposal — it is standard practice.

Adaptation Notes for Other States

- Adjust commission size and composition for your legislature's norms.
- Include seats for industry, academia, consumer advocates, *and* state agencies — balance gives credibility.
- Set a clear timeline with deliverables. Open-ended mandates get shelved.
- Include a requirement to produce draft legislation, not just a report. This is what gives the commission teeth.

Archetype 2: Tax De Minimis Exemption

The anchor bill — practical, populist, and almost impossible to argue against on the merits.

The Problem

Under current law, every Bitcoin transaction — no matter how small — triggers a capital gains event that must be reported and taxed. Buy a \$4 coffee with bitcoin and you technically owe capital gains tax on the appreciation since you acquired that bitcoin. This makes using Bitcoin for everyday transactions practically impossible and creates an absurd compliance burden for ordinary people.

The Rhode Island Model: S.2021

- **Threshold:** Exempt Bitcoin transactions up to \$5,000/month or \$20,000/year from state capital gains tax.
- **Target population:** Regular Rhode Islanders, small business owners, young professionals — *not* large investors.
- **Fiscal impact:** \$500K-\$2.5M annually — that's 0.01-0.04% of RI's general revenue. A rounding error.
- **Safety mechanism:** One-year pilot with automatic sunset provision. The legislature retains full control.
- **Estimated affected taxpayers:** 8,000-12,000 Rhode Islanders.

Why This Works in Blue States

The de minimis exemption is fundamentally a consumer protection and financial inclusion measure. It removes a barrier that disproportionately affects small users — people making small transactions, not hedge funds. The fiscal impact is negligible, and the signaling value ("our state is open for innovation") far exceeds the cost.

Precedent

- **Missouri (HB 594, 2025):** First state to fully eliminate state capital gains tax on crypto — the most aggressive approach.
- **Federal PARITY Act:** Proposes a \$200 federal de minimis exemption — your state bill goes further and signals leadership.

Archetype 3: Private Key Protection

A digital property rights bill that maps perfectly to progressive civil liberties values.

The Problem

A private cryptographic key is like a master key that simultaneously controls assets, identities, and accounts. Compelling someone to disclose their private key is the digital equivalent of forcing them to hand over the keys to their house, car, bank accounts, and identity documents all at once — when a public key (which proves ownership without granting access) would suffice for any legitimate legal proceeding.

The Rhode Island Model: H.7957 / S.2196

- **Core provision:** Prohibit courts and agencies from compelling private key disclosure when a public key suffices.
- **Critical nuance:** Preserves *all* existing court and law enforcement authority. Courts can still compel asset disclosure, accounting, and investigation. This is not an obstruction bill.
- **Frame for progressives:** This is a Fourth Amendment bill for the digital age. It protects digital property rights the same way we protect physical property rights.

Precedent

- **Wyoming (2023):** Passed 31-0 in the Senate and 41-13 in the House — strong bipartisan support.
- **Federal CLARITY Act:** Includes explicit self-custody protections at the national level.

Archetype 4: Regulatory Sandbox / SPDIs

Create a controlled environment for blockchain innovation — with built-in banking infrastructure.

A regulatory sandbox allows blockchain and fintech companies to test innovative financial products under temporary regulatory exemptions, with state oversight. Paired with Special Purpose Depository Institutions

(SPDIs) — fully-reserved banks designed to custody digital assets — this framework gives your state a complete innovation stack: a place to experiment and a banking charter to support it.

This is a particularly strong fit for blue states because it *increases* regulatory engagement rather than reducing it. The sandbox doesn't eliminate rules — it creates a structured, supervised pathway for innovation with consumer protections built in.

The Rhode Island Model: H.7413 — Blockchain Economic Growth Act

- RIBPI's stance: **Strong Support**. Creates a regulatory sandbox, public-private partnerships, and an SPDI framework requiring 100% liquid reserves.
- Key feature: SPDIs provide banking services to blockchain businesses without fractional-reserve lending risk. Only Wyoming and Nebraska currently have them.
- Economic case: A regulatory sandbox attracts fintech companies as the U.S. regulatory environment turns favorable. Public-private partnerships incentivize innovators to come to — or stay in — your state.

State Precedent

State	Year	Key Feature
Arizona	2018	First U.S. fintech sandbox; includes reciprocity with other states
Wyoming	2019, 2020	Fintech sandbox + SPDI charter (Kraken, Custodia)
Utah	2019	Broad fintech sandbox including blockchain
Nebraska	2021	Digital asset depository institution charter
West Virginia	2020	Fintech sandbox with sandbox-to-license pathway

Frame for progressives: This is not deregulation — it's *smart* regulation. The sandbox lets the state supervise innovation in real-time rather than playing catch-up after the fact. SPDIs with 100% reserve requirements are *safer* than traditional fractional-reserve banks.

Archetype 5: Strategic Bitcoin Reserve (Advanced)

The most ambitious — and the one getting the most national attention.

Strategic Bitcoin reserves are the highest-profile Bitcoin policy trend in 2025-2026. Multiple states have introduced legislation, and three have signed bills into law. However, this is also the most politically risky archetype for blue states, where allocating public funds to a volatile asset faces significant headwinds.

The Landscape

State	Bill	Status	Approach
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New Hampshire	HB 302	Signed (2025)	Up to 5% of public funds; \$500B+ market cap threshold
Texas	SB 21	Signed (2025)	\$10M initial; purchased \$5M in IBIT
Arizona	HB 2749	Signed (2025)	Unclaimed-property route via seized/abandoned assets
Massachusetts	S.1967	Pending	Up to 10% of Stabilization Fund; strict custody rules
Illinois	SB 1797+	Partial	Consumer protection enacted; reserve exploratory

Blue-State Adaptation Strategy

If introducing a reserve bill in a blue state, consider these de-risking approaches:

- **The Arizona route:** Use seized/abandoned/unclaimed crypto assets rather than new appropriations. This costs the state nothing.
- **The Massachusetts route:** Cap allocation as a small percentage of an existing fund with strict custody and audit requirements.
- **Pair it with a study commission:** Let the commission recommend reserve parameters rather than legislating them cold.
- **Emphasize the hedge:** Frame it as portfolio diversification, not speculation. States already hold gold, real estate, and equities.

RIBPI Recommendation: *In most blue states, start with Archetypes 1-3. The study commission creates the institutional framework, the de minimis exemption delivers immediate constituent benefit, and private key protection establishes the civil liberties frame. Archetypes 4 and 5 can follow once there's institutional knowledge and political momentum.*

The State Precedent Landscape

One of the most effective tools in legislative testimony is precedent: "Other states have already done this." The table below maps the current landscape. Note the gap — blue states are dramatically underrepresented:

Policy Area	Red/Purple States	Blue States
Strategic Reserve	NH, TX, AZ, + 13 exploring	MA (pending), IL (exploratory)
Mining Protections	TX, KY (128-0 vote), OK, NE, MT	None significant

Study Commissions	WY (led to 50+ laws), AL	IL (task force), VA
Tax Treatment	MO (full exemption)	None
Private Key Protection	WY (31-0 Senate)	None
Regulatory Sandbox	AZ, WY, UT, WV, NE	None

The Opportunity: *The blue-state gap is not a weakness — it is a first-mover advantage waiting to be seized. The first blue state to pass comprehensive Bitcoin legislation will attract disproportionate national attention, talent, and economic activity. Rhode Island is positioning to be that state.*

Federal Policy Context

State-level efforts operate within a rapidly evolving federal landscape. Understanding federal developments helps you position state bills as complementary — not competing — with national policy:

- **GENIUS Act (2025):** First major federal stablecoin law — establishes a national framework.
- **CLARITY Act:** Includes self-custody protections and market-structure rules. Your state private key bill aligns with and reinforces this.
- **PARITY Act:** Proposes a \$200 federal de minimis exemption and staking deferral. State bills at higher thresholds (\$5,000/month) signal leadership.
- **BITCOIN Act (S.954):** Proposes federal acquisition of 1 million BTC over 5 years with a 20-year hold.
- **Strategic Bitcoin Reserve Executive Order (March 2025):** Uses existing government holdings (~325,000 BTC from seizures) to establish a federal reserve.

The federal trend is clearly moving toward Bitcoin integration. States that get ahead of this curve will be best positioned when federal frameworks solidify.

Key Federal Allies to Reference

When discussing Bitcoin policy with state legislators, referencing bipartisan federal champions can help legitimize the issue:

- **Sen. Cynthia Lummis (R-WY):** Chair of Banking Subcommittee, author of the BITCOIN Act.
- **Commissioner Hester Peirce (SEC):** Known as "Crypto Mom," leads the SEC's Crypto Task Force under Chair Atkins.
- **Rep. Tom Emmer (R-MN):** House Majority Whip, co-founded the Congressional Crypto Caucus.
- **Rep. Ritchie Torres (D-NY):** Co-founded the Congressional Crypto Caucus with Emmer — a key Democratic voice for digital assets on the Financial Services Committee.

- **David Sacks:** Co-chair of the President's Council of Advisors on Science and Technology (PCAST), formerly White House AI and Crypto Czar.

Note the bipartisan nature: federal Bitcoin policy has support from both parties. This reinforces the nonpartisan framing that is essential in blue states.

PART 3

THE TACTICAL PLAYBOOK

From first contact to committee hearing — how to move legislation forward.

Finding Sponsors and Building Coalitions

In a blue-state legislature, your bill sponsors matter enormously. The wrong sponsor can doom good legislation by triggering partisan reflexes. Here's what RIBPI learned:

Identify the Right Sponsors

- **Look for committee alignment:** A sponsor on the Finance Committee carries more weight for a tax bill than the most enthusiastic backbencher. Map your bills to committee jurisdictions first.
- **Seek bipartisan pairs:** A Democratic primary sponsor with a Republican co-sponsor (or vice versa) is the strongest possible signal that this is nonpartisan. In RI, both Democrats and Republicans sponsored RIBPI-supported bills.
- **Target tech-curious members:** Legislators who sit on innovation, technology, or economic development committees are natural allies. They're already thinking about how to modernize their state.
- **Don't overlook younger legislators:** Younger members are more likely to have personal experience with Bitcoin or crypto and may be looking for signature issues.

Building the Coalition Beyond the Legislature

- **Chamber of Commerce:** Frame Bitcoin policy as economic competitiveness. Rhode Island ranks 50th in business friendliness — that resonates with the business community.
- **Fintech companies:** Any blockchain or crypto companies in your state are natural allies. Even if they're small, their testimony as local businesses carries weight.
- **Academic institutions:** University researchers studying blockchain, economics, or computer science can provide expert testimony and lend credibility.
- **Consumer advocacy groups:** For de minimis and private key bills, consumer advocates can testify that current rules burden ordinary users.
- **Civil liberties organizations:** The ACLU and state-level equivalents may support private key protection framed as digital property rights.

Delivering Effective Testimony

RIBPI has delivered testimony on every bill it supports. Here is the framework that works:

The Six-Part Testimony Structure

Section	Purpose	Time
1. Introduction	Who you are, what your organization does, why you're here	30 sec
2. Problem Statement	The specific problem this bill addresses, with data	60-90 sec
3. Proposed Solution	What the bill does, in plain language	60 sec
4. Precedent	Other states that have done this, with outcomes	60 sec
5. Fiscal Impact	What it costs, why it's manageable, built-in safeguards	30-60 sec
6. Close	Reiterate support, offer to be a resource, thank the committee	30 sec

Testimony Tips

- **Keep it under 5 minutes.** Committee chairs will cut you off. Respect their time and they'll respect your substance.
- **Bring printed copies** of your testimony and a one-page summary for each committee member.
- **Anticipate questions.** The objections in Part 5 of this guide are the questions you'll get. Prepare for all of them.
- **Never be adversarial.** Even if a lawmaker is hostile, respond with data and respect. You're building a relationship, not winning a debate.
- **Offer to be a resource.** The most powerful sentence in testimony: "I'm available to answer any questions now or anytime — here's my card."
- **Follow up.** Send a thank-you email to the committee chair and any members who asked questions within 24 hours.

Working With Staffers and Committees

In many states — especially those with part-time legislatures — staffers are the real decision influencers. They research issues, brief legislators, and draft amendments. Winning the staffer is often more important than winning the legislator directly.

- **Educate, don't lobby.** Provide factual resources — policy briefs, data sheets, precedent summaries — and let staffers draw their own conclusions. RIBPI positions itself as a research organization, not a lobbying group, for this reason.
- **Make their job easier.** Provide draft bill language, fiscal impact estimates, and precedent research. If a staffer can hand your materials to their legislator with minimal additional work, you've won.

- **Personalize outreach.** Reference the legislator's committee assignments, district concerns, and past positions. Form letters get filed. Personalized notes get read.
- **Use surveys strategically.** RIBPI sends brief surveys to legislators asking about their familiarity with and attitudes toward Bitcoin policy. This provides data *and* opens conversations.

Media and Public Messaging

Public messaging amplifies legislative work but must be calibrated for blue-state audiences:

- **Op-eds over tweets.** In blue states, traditional media still carries weight with legislators. A well-placed op-ed in the state's largest newspaper is worth more than viral social media.
- **Local angles win.** "Rhode Island ranks 50th in business friendliness" is a local story. "Bitcoin is the future" is not. Always localize the argument.
- **Highlight bipartisan support.** Every press mention should note that both Democrats and Republicans are sponsoring your bills.
- **Elevate constituent voices.** A small business owner who wants to accept bitcoin, a young professional who uses Bitcoin for savings, a family that uses Lightning Network for remittances — these are your most powerful messengers.
- **Don't feed the maximalist narrative.** Avoid HODL memes, price predictions, and confrontational rhetoric in any public-facing materials. Professional and measured always.

***The Messaging Litmus Test:** Before publishing anything, ask: "Would a moderate Democratic state senator feel comfortable sharing this with colleagues?" If the answer is no, rewrite it. Your public materials should be indistinguishable from the output of a professional policy research organization — because that's what you are.*

PART 4

BUILDING YOUR STATE ORGANIZATION

How to create a state-level Bitcoin policy organization from scratch.

Why You Need a Dedicated Organization

Individual advocacy has a ceiling. At some point, you need an organization — a name, a brand, a website, and a team — to be taken seriously by legislators, media, and the public. An organization provides:

- **Institutional credibility:** "The Rhode Island Bitcoin Policy Initiative" carries more weight in a committee hearing than "some guy who's into Bitcoin."
- **Continuity:** Legislative sessions end. Staffers turn over. An organization maintains relationships and institutional knowledge across cycles.
- **Media access:** Journalists need an organizational source to quote. "A spokesperson for [your org]" makes the story easier to write.
- **Coalition building:** Other organizations — business groups, civil liberties groups, consumer advocates — partner with organizations, not individuals.

Structure, Registration, and Branding

Legal Structure

You have several options. The right choice depends on your state, your ambitions, and your resources:

- **Unincorporated association:** The fastest way to start. No paperwork, no fees. This is how RIBPI began. The tradeoff is limited legal protection and no ability to receive tax-deductible donations.
- **501(c)(4) social welfare organization:** Can engage in legislative education and limited lobbying. Donations are not tax-deductible. Good for policy advocacy organizations.
- **501(c)(3) educational nonprofit:** Best for research and education. Donations are tax-deductible. Cannot engage in substantial lobbying. The "research and education" frame fits Bitcoin policy work well.
- **Informal first, formal later:** RIBPI's recommendation. Start as an unincorporated initiative, build a track record, then formalize when you have momentum and resources.

Naming and Branding

- **Include your state name.** A name like "The [State] Bitcoin Policy Alliance" or "[State] Sound Money Coalition" immediately communicates scope and seriousness. Check for existing organizations before choosing a name.
- **Use "Bitcoin" not "Crypto."** This is a strategic choice. Bitcoin has the strongest brand recognition, the clearest regulatory status (commodity, not security), and the most credible monetary narrative.
- **Include "Policy" or "Research."** These words signal seriousness to legislators. Avoid names that sound like investment clubs or meetup groups.
- **Professional design matters.** Your logo, website, and materials will be evaluated — consciously or not — as signals of competence. Invest in professional design early.

Website and Digital Presence

- A simple, professional website with: your mission, your team, your active legislation tracker, educational resources (Bitcoin 101), and contact information.
- A legislation tracker page that shows bills, status, and your organization's position — this becomes the go-to resource for staffers and journalists.
- A legislator scorecard (if you have enough voting history) — this creates accountability and drives engagement.

The RIBPI Model

RIBPI's operational model can serve as a template. Here's what it looks like in practice:

Team Structure

- **Founder/policy strategist:** Writes testimony, develops messaging, serves as primary spokesperson.
- **Core team (2-3 people):** Handles outreach, research, and operational tasks. In a grassroots organization, everyone wears multiple hats.
- **Research support:** RIBPI uses AI tools extensively for policy research, bill drafting, data analysis, and content creation. A small team with good tools can produce output that rivals much larger organizations.

Legislative Cycle

- **Pre-session (3-6 months before):** Research bills, identify sponsors, draft bill language, build relationships with staffers.
- **Bill introduction:** Coordinate simultaneous introduction of companion bills in both chambers when possible.
- **Committee hearings:** Deliver testimony, provide written materials, follow up with committee members.
- **Between hearings:** Continue outreach, publish research, engage media, build public support.
- **Post-session:** Evaluate outcomes, maintain relationships, plan next session's strategy.

Key Outputs

- **Testimony documents:** For every bill you support or oppose.
- **One-page policy briefs:** The single most useful document you'll create. Every bill should have one.
- **Legislator surveys:** Brief questionnaires to gauge awareness and attitudes.
- **Research briefs:** Deep dives on specific topics (energy, tax impact, economic development).
- **An educational primer:** Bitcoin 101 for non-technical audiences.

Getting Started Checklist:

- 1. Name your organization and buy a domain.*
- 2. Build a simple website with your mission and contact information.*
- 3. Research your state's current digital asset legislation (if any).*
- 4. Identify 3-5 legislators on relevant committees and send introductory emails.*
- 5. Draft a one-page brief on the most promising bill archetype for your state.*
- 6. Attend a committee hearing — even just to observe — and introduce yourself afterward.*
- 7. Start building a contact database of legislators, staffers, and potential allies.*

PART 5

OBJECTION HANDLING

Data-backed rebuttals for every objection you'll face.

These are the objections you will hear from blue-state lawmakers, staffers, and media. For each, we provide the quick response (for hallway conversations) and the detailed rebuttal (for testimony and policy discussions).

"Bitcoin is too volatile to be taken seriously as policy."

Quick response: *We're not asking anyone to invest. De minimis exemptions and study commissions are low-risk policy tools. And every four-year holding period in Bitcoin's history has delivered positive returns.*

Detailed rebuttal: Volatility is a feature of a young, growing asset class — not a reason to avoid sensible policy. The de minimis exemption (Archetype 2) costs the state \$500K-\$2.5M/year and includes an automatic sunset provision. The study commission (Archetype 1) costs nothing. Neither requires the state to hold or endorse Bitcoin. For strategic reserve proposals, the 20-year holding periods proposed in federal legislation make short-term volatility irrelevant. Gold was volatile in the 1970s and 1980s — no one questions its role as a reserve asset today.

"Bitcoin wastes energy and is bad for the environment."

Quick response: *52.4% of Bitcoin mining uses sustainable energy. Coal dropped from 36.6% to 8.9% since 2022. Mining uses 0.7-0.8% of global electricity and is increasingly monetizing waste energy.*

Detailed rebuttal: Bitcoin miners are the world's most price-sensitive electricity buyers. They migrate to the cheapest energy, which is increasingly renewables and waste energy. 42.6% of mining energy comes from renewables, 9.8% from nuclear. Coal's share has collapsed from 36.6% in 2022 to 8.9% in 2026. Miners are also monetizing stranded energy: 151 billion cubic meters of natural gas are flared globally each year. Companies like Crusoe Energy convert this waste into computing power at 99.89% methane efficiency (vs. 91-92% for traditional flaring). The policy response should not be to ban mining but to set clean energy standards for any government-affiliated operations.

"Bitcoin is used by criminals and terrorists."

Quick response: *Less than 1% of Bitcoin transactions are criminal. Bitcoin's public ledger makes it the worst tool for crime. Cash is far more anonymous. The FBI and IRS use blockchain analysis to solve cases.*

Detailed rebuttal: According to Chainalysis, criminal activity accounts for less than 1% of all Bitcoin transactions. Bitcoin's public, permanent, auditable ledger makes it fundamentally hostile to criminal use — every transaction is recorded forever and can be traced. The FBI, IRS, and DOJ have used blockchain analysis to successfully prosecute major criminal operations, including the Colonial Pipeline ransomware case and the Bitfinex hack recovery. Cash, by contrast, is untraceable. If your concern is financial crime, you should welcome Bitcoin's transparency.

"This is just picking winners — why Bitcoin and not other technologies?"

Quick response: *We already treat different assets differently — gold, stocks, and real estate all have different tax treatment. Bitcoin's commodity status and decentralized structure make it fundamentally distinct from other digital tokens.*

Detailed rebuttal: The CFTC has classified Bitcoin as a commodity. Unlike other digital tokens, Bitcoin has no CEO, no company, no board of directors, and no marketing department. Its monetary policy is fixed in code and cannot be changed. This is fundamentally different from tokens issued by companies (which are securities) or centralized stablecoins (which depend on issuers). Policy that recognizes these distinctions is not picking winners — it is applying appropriate treatment to fundamentally different asset classes, just as we already do with gold, equities, and real estate.

"We can't afford the revenue loss right now."

Quick response: *Rhode Island's de minimis exemption costs \$500K-\$2.5M/year — that's 0.01-0.04% of general revenue. It's a rounding error against the state's \$250M structural deficit.*

Detailed rebuttal: The fiscal impact of a de minimis exemption is negligible by any measure. In Rhode Island, the estimated cost is \$500K-\$2.5M annually against a general revenue budget where the structural deficit exceeds \$250 million. The exemption affects an estimated 8,000-12,000 taxpayers making small transactions — the median lifetime crypto investment nationally is approximately \$620. Meanwhile, the signaling value of being an innovation-friendly state attracts talent, businesses, and tax revenue that far exceeds the exemption's cost. Missouri's full elimination of crypto capital gains tax in 2025 is a direct competitive threat to states that do nothing.

"Bitcoin has no intrinsic value."

Quick response: *Neither does gold — or the dollar. Value comes from consensus, scarcity, and utility. Bitcoin has all three, and its scarcity is mathematically guaranteed.*

Detailed rebuttal: The concept of "intrinsic value" is contested in economics. Gold's value is primarily derived from consensus and perceived scarcity, not industrial use (which accounts for a small fraction of demand). The dollar has no intrinsic value — it is valuable because the government mandates its use for tax payments and because of institutional trust. Bitcoin's value derives from its fixed supply (21 million coins, mathematically enforced), its decentralized network (secured by more computing power than any system in history), and its growing adoption (100+ million Coinbase users, \$35 billion in ETF inflows in 2024 alone). Bitcoin's consensus is growing faster than any monetary asset in history.

"My constituents don't care about this."

Quick response: *An estimated 8,000-12,000 Rhode Islanders are directly affected by crypto tax policy. Nationally, 52 million Americans own crypto. These are your constituents.*

Detailed rebuttal: Cryptocurrency ownership in the United States has grown to approximately 52 million people. In any given state, that translates to thousands or tens of thousands of constituents who are directly affected by digital asset policy. These are not a fringe constituency — they are young professionals, small business owners, immigrants using remittances, and increasingly, retirees diversifying savings. The 2024 election cycle demonstrated that crypto-related issues influenced campaign donations and voter preferences. Ignoring this constituency is a political risk, not a safe harbor.

Key Statistics Reference Sheet

Bookmark this page. These are the numbers you'll use most often.

Monetary System (Post-1971)

Metric	Then	Now	Source
Home price-to-income ratio	2.4x (1971)	5.6x (2024)	Census / Fed data
College cost (% of household income)	12% (1970)	40% (2024)	NCES / BLS
Healthcare spending (% of GDP)	5% (1960)	18% (2024)	CMS
Top 1% share of wealth	35% (1971)	50% (2024)	Federal Reserve
Financial sector share of GDP	4% (1970)	8% (2024)	BEA
Financial sector share of profits	10% (1970)	25-30% (2024)	BEA
Dollar purchasing power loss	—	97% since 1913	BLS CPI data
National debt	—	\$38-39 trillion	Treasury
Annual interest on debt	—	>\$1 trillion	Treasury

Bitcoin Network and Adoption

Metric	Value	Source
Total supply cap	21 million BTC	Bitcoin protocol
BTC mined to date	~20 million (95%)	Blockchain data
Coinbase users	100+ million	Coinbase filings
Bitcoin ETF inflows (2024)	~\$35 billion	ETF fund data
U.S. government BTC holdings	~325,000-328,000 BTC	On-chain analysis
Median lifetime crypto investment	~\$620	JP Morgan Chase Institute
Bitcoin owners holding <0.01 BTC	74%	On-chain analysis

U.S. Web3 jobs (2025)	21,612 (+26% YoY)	Industry reports
Non-technical Bitcoin jobs	74-76% of roles	Industry analysis

Bitcoin Mining and Energy

Metric	Value	Source
Sustainable energy share	52.4%	Cambridge / industry data
Renewable energy share	42.6%	Cambridge / industry data
Nuclear energy share	9.8%	Cambridge / industry data
Coal share (2022 vs. 2026)	36.6% to 8.9%	Industry surveys
Share of global electricity	0.7-0.8%	Cambridge CBECI
Flared gas globally (annual)	151 billion cubic meters	World Bank
Crusoe Energy methane efficiency	99.89%	Crusoe Energy data

Getting Started

Bitcoin policy in blue states is a wide-open field. The states that move first will attract disproportionate attention, talent, and economic activity. The states that wait will be playing catch-up.

Rhode Island — the smallest state, ranked last in business friendliness — has demonstrated that Bitcoin policy can gain traction in even the most challenging environments. If it can happen here, it can happen in your state.

The tools are in this guide. The data is in this guide. The messaging frameworks, the bill archetypes, the tactical playbook — it's all here. What's needed now is people willing to do the work.

Connect with RIBPI

We're happy to help. Whether you need advice on messaging, model bill language, testimony strategy, or just want to talk through how to approach your state's legislature, reach out.

Email: dan@ribpi.com

Web: ribpi.com

Blueprint page: ribpi.com/blueprint

Small state, big ideas. Bitcoin = money.

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