

STATE OF RHODE ISLAND
GENERAL ASSEMBLY

FISCAL IMPACT ANALYSIS

House Bill 7413

Rhode Island Economic Growth Blockchain Act

An Act Relating to Financial Institutions — Blockchain Innovation

Prepared for:

Members of the Rhode Island General Assembly

2026 Session

EXECUTIVE SUMMARY

This fiscal impact analysis examines H.7413, the Rhode Island Economic Growth Blockchain Act, which proposes two major policy frameworks: (1) a regulatory sandbox for blockchain companies to test innovative products under temporary exemptions, and (2) a new Special Purpose Depository Institution (SPDI) charter for digital asset businesses requiring 100% liquid reserves. The bill builds on the 2025 session's H.5564 and follows successful models in Wyoming and Nebraska.

Fiscal Impact Summary

Metric	Year 1	Year 3	Year 5
Regulatory Costs (DBR)	\$350K-\$500K	\$250K-\$400K	\$200K-\$350K
Fee Revenue (sandbox + SPDI)	\$100K-\$250K	\$400K-\$1M	\$800K-\$2M
Net Fiscal Impact	-\$250K to -\$350K	-\$50K to +\$600K	+\$450K to +\$1.65M
Estimated New Jobs	50-100	150-300	300-500
New Business Registrations	5-10	15-30	30-50

Key Findings

1. The bill requires upfront investment in regulatory infrastructure (\$350K-\$500K in Year 1), but fee revenue from sandbox applications and SPDI examinations is projected to achieve revenue neutrality by Year 3 and generate net positive revenue by Year 5.
2. Wyoming's comparable SPDI framework attracted \$20 billion in digital assets and generates \$4 million annually in fees. Even at 10% of Wyoming's scale, Rhode Island could expect \$400K-\$800K in annual fee revenue within five years.
3. The economic development multiplier effects — job creation, corporate income tax, and business registration fees — could significantly exceed the direct fiscal impact.
4. The 100% liquid reserve requirement for SPDIs substantially reduces the state's financial risk compared to traditional bank charters.

1. REGULATORY SANDBOX ANALYSIS

1.1 Cost Estimates

Cost Category	One-Time	Annual Ongoing
Sandbox Program Manager (1 FTE)	—	\$85,000 - \$110,000
Compliance Analyst (1 FTE)	—	\$65,000 - \$85,000
Legal and Rulemaking	\$30,000 - \$50,000	\$15,000 - \$25,000
Technology Platform	\$20,000 - \$40,000	\$10,000 - \$20,000
Total	\$60,000 - \$100,000	\$180,000 - \$250,000

1.2 Comparative Analysis

State	Launch	Participants (Yr 1)	Participants (Yr 3)
Arizona	2018	8	22
Utah	2019	5	18
Wyoming	2019	12	35
Rhode Island (est.)	2027	5-15	15-30

2. SPDI FRAMEWORK ANALYSIS

2.1 Regulatory Costs

Cost Category	One-Time	Annual Ongoing
SPDI Examination Staff (1-2 FTE)	—	\$120,000 - \$200,000
Charter Application Review	\$20,000 - \$40,000	—
Rulemaking and Legal	\$30,000 - \$50,000	\$10,000 - \$20,000
Total	\$65,000 - \$120,000	\$140,000 - \$235,000

2.2 Wyoming SPDI Case Study

Since Wyoming enacted its SPDI legislation in 2019, four institutions have received charters, including Kraken Financial and Avanti Bank. Collectively, these institutions have attracted approximately \$20 billion in digital asset custody. Wyoming's Division of Banking reports that SPDI-related revenue now covers approximately 85% of the associated regulatory costs, with full cost recovery projected by 2027.

3. ECONOMIC DEVELOPMENT IMPACT

3.1 Job Creation Estimates

Job Category	Year 1	Year 3	Year 5
Direct blockchain company jobs	30-60	80-150	150-300
Financial services (SPDI-related)	10-20	30-60	50-100
Legal and compliance	5-10	20-40	40-60
Support services	5-10	20-50	60-100
Total Estimated Jobs	50-100	150-300	300-500

3.2 Tax Revenue from Economic Activity

Conservatively estimating average salaries of \$85,000-\$120,000 for blockchain industry positions, 300 new jobs would generate approximately \$750,000-\$1.5 million in additional state income tax revenue annually.

4. RECOMMENDATIONS

1. Appropriate \$500,000 in Year 1 to fund both sandbox and SPDI regulatory infrastructure.
2. Direct DBR to establish fee schedules that achieve full cost recovery within three years.
3. Include annual reporting requirements on sandbox participation and SPDI activity.
4. Coordinate with URI, Brown, and CCRI to develop blockchain workforce programs.

SOURCES AND REFERENCES

Rhode Island Office of Management and Budget, FY 2026 Governor's Budget

Wyoming Division of Banking — SPDI Annual Report 2025

Nebraska Department of Banking and Finance — Digital Asset Depository Reports

Arizona Attorney General — Regulatory Sandbox Annual Report 2024

National Conference of State Legislatures — Regulatory Sandbox Legislation Tracker

End of Report