

EXECUTIVE SUMMARY

H.7956 / S.2198: Blockchain and Cryptocurrency Study Commission

Sponsors	Sens. DiPalma, Gu, Burke, Urso, Paolino, Zurier
Session	2026 Legislative Session
Status	In Committee
Builds On	2025 Session H.5810 / S.0373
Reports Due	Interim: January 2027; Final: January 2028

What This Bill Does

H.7956 / S.2198 creates a special legislative commission to conduct a comprehensive study of blockchain technology and cryptocurrency. The commission is tasked with evaluating the applicability of blockchain for Rhode Island government operations and assessing the economic opportunity presented by the growing digital asset industry.

The commission would study:

- Blockchain applications for voting, land registries, and public records management
- Tax implications and revenue opportunities from cryptocurrency businesses
- Cost efficiencies and operational improvements for state agencies
- Regulatory frameworks adopted by other states and their outcomes
- Workforce development needs for blockchain-related industries

Fiscal Impact Assessment

Revenue Considerations	Economic Offset Potential
• Commission operations: \$75K-\$150K annually	• Positions RI as innovation-forward state
• Staff support from Commerce and DBR	• Informed policy reduces costly regulatory mistakes
• Travel and expert witness costs	• May attract blockchain businesses during study period
• Report preparation and publication	• No direct revenue impact — study only

Budget Note: Commission costs are modest relative to the potential economic development benefits. Similar commissions in Colorado and Mississippi operated within \$100K-\$200K total budgets and produced actionable legislative recommendations within 18 months.

Rhode Island as an Innovation Leader

This bill positions Rhode Island to make informed, evidence-based decisions about blockchain policy. Key advantages:

- **Expert-driven approach:** Brings together Commerce, DBR, academia, finance, and securities professionals
- **Comprehensive scope:** Studies government use cases, tax policy, and economic development simultaneously
- **Peer state models:** Similar to Colorado SB18-086 (2018) and Mississippi HB1214 (2024)
- **Low risk:** Study commission carries no regulatory or tax changes — only recommendations

Key Provisions

Provision	Details
Commission Makeup	Legislators, Commerce, DBR, academia, finance, securities experts
Study Areas	Voting, land registries, public records, tax implications, workforce
Interim Report	January 2027 — preliminary findings and recommendations
Final Report	January 2028 — comprehensive analysis with legislative proposals
Precedent	Colorado SB18-086 led to Colorado Digital Token Act; Mississippi HB1214 ongoing
Cost Estimate	\$75,000 - \$150,000 annually for commission operations

Questions for Fiscal Review

- What state agencies should be represented on the commission?
- Should the commission include private sector blockchain companies operating in RI?
- What specific government operations would benefit most from blockchain evaluation?
- How should the commission coordinate with existing Rhode Island Blockchain Council initiatives?