

STATE OF RHODE ISLAND
GENERAL ASSEMBLY

FISCAL IMPACT ANALYSIS

House Bill 7956 (House) · Senate Bill 2198 Sub A (Senate)
Blockchain and Cryptocurrency Study Commission

*An Act Creating a Special Legislative Commission to Study Blockchain
Technology and Cryptocurrency*

Prepared for:

Members of the Rhode Island General Assembly
Senate AI & Emerging Technology Committee
House Innovation, Internet & Technology Committee

June 2026

EXECUTIVE SUMMARY

This fiscal impact analysis examines H.7956 (House) and S.2198 Sub A (Senate), companion bills creating a special legislative commission to study blockchain technology and cryptocurrency applications in Rhode Island. **S.2198 Sub A was reported out of the Senate AI & Emerging Technology Committee on June 2, 2026 with a recommendation to pass and is on the Senate Calendar for a floor vote on June 10, 2026.** The House companion (H.7956) remains held for further study in House Innovation, Internet & Technology since March 5, 2026. The Sub A expands commission membership from the originally introduced five members to ten and makes minor changes to reporting deadlines.

Key Provisions

- Establishes a **ten-member commission** comprising legislators, executive-branch officials, and subject-matter experts from finance, securities, academia, and industry
- Studies **blockchain applicability** to Rhode Island government operations: voting, land registries, business filings, and public records
- Evaluates **tax implications and revenue opportunities** from cryptocurrency businesses
- Surveys **regulatory frameworks** adopted by other states and their measured economic outcomes
- Identifies **workforce development needs** for blockchain-related industries
- Requires an **interim report by January 5, 2027** and a **final report by January 5, 2028** including draft legislation
- Commission **sunset February 5, 2028** automatically

Fiscal Impact Summary

Metric	Estimate
Annual Commission Operating Cost	\$75,000 – \$150,000
One-Time Setup Costs	\$15,000 – \$25,000
Total Two-Year Cost	\$165,000 – \$325,000
Direct Revenue Impact	None (study only)
Potential Long-Term Revenue	Dependent on commission recommendations
Impact as % of General Revenue	Less than 0.005%

Key Findings

1. The fiscal impact is minimal: commission costs represent less than 0.005% of general revenue and fall within typical ranges for Rhode Island legislative study commissions.

2. The commission produces no direct revenue impact. It generates recommendations only; any fiscal implications occur through future legislation if the General Assembly acts on those recommendations.
3. Comparable study commissions in Colorado (SB18-086, 2018) and Mississippi (HB1214, 2024) have produced actionable legislative roadmaps within 18 months at total operating budgets between \$100K and \$200K.
4. S.2198 Sub A's expansion to ten members improves the commission's expertise breadth (adding finance and securities seats) without materially increasing operating cost, since members serve without per diem compensation.

Recommendation Summary

Given de minimis fiscal exposure and the documented effectiveness of comparable state commissions, this analysis finds H.7956 / S.2198 Sub A presents negligible fiscal risk with substantial information value. The commission represents the lowest-cost, lowest-risk path to informed Rhode Island blockchain policy and is recommended for passage in both chambers.

1. INTRODUCTION AND BACKGROUND

1.1 Bill Overview

H.7956 and S.2198 Sub A are companion bills that create a special legislative commission under Title 22 of the General Laws (the General Assembly) charged with studying blockchain technology and cryptocurrency. The commission's mandate spans both **operational applications** for state government (voting, land registries, public records) and **economic considerations** (tax revenue, business attraction, workforce development).

The Sub A — adopted by the Senate AI & Emerging Technology Committee on June 1, 2026 — expands the commission from the originally introduced five members to ten. The expansion adds dedicated seats for finance industry, securities regulation, academic blockchain research, and consumer protection representation. Commission members serve without compensation. The commission may accept gifts and contributions, must hold public meetings under the Open Meetings Act, and produces public reports.

1.2 Legislative Context

H.7956 was introduced by Representative Casey on February 27, 2026 and referred to House Innovation, Internet & Technology. S.2198 was introduced by Senators DiPalma, Gu, Burke, Urso, Paolino, and Zurier on January 23, 2026 and referred to Senate AI & Emerging Technology.

The 2026 effort follows the 2025 session's H.5810 / S.0373, which passed the Senate unanimously (38–0) but never received a House vote. The 2026 versions reflect lessons from the 2025 effort, including clearer scope definitions and a tighter reporting timeline.

Procedural status as of June 7, 2026: S.2198 Sub A was reported out of committee on June 2 with a do-pass recommendation and placed on the Senate Calendar June 4 for a floor vote on June 10, 2026. H.7956 was heard March 5, 2026 and held for further study. If S.2198 Sub A passes the Senate, attention shifts to whether House Innovation, Internet & Technology takes up the bill before the session's anticipated sine die adjournment in late June.

1.3 Purpose of Analysis

This fiscal impact analysis is prepared to inform legislative decision-making by providing:

- Estimates of commission operating costs across the two-year mandate
- Comparable state precedent: operating costs and policy outputs of similar commissions in Colorado, Mississippi, Illinois, and Virginia
- Context within Rhode Island's typical study commission expenditure patterns
- Identification of expected qualitative outputs and policy paths the commission's work could enable

2. METHODOLOGY

2.1 Data Sources

This analysis draws on the following primary data sources:

Rhode Island Commission Cost Baselines

- Rhode Island Joint Committee on Legislative Services (JCLS) annual budgets, FY2022–FY2026
- Final reports of recent RI special legislative commissions (Housing, Behavioral Health, Cannabis) including operating expenses
- Rhode Island Office of Management and Budget standard cost factors for staff support and per-meeting expenses

Comparable State Commission Precedents

- Colorado SB18-086 (2018): Blockchain Council final report and operating budget
- Mississippi HB1214 (2024): Blockchain Working Group reporting and budget
- Illinois Blockchain Initiative Task Force (2017): final recommendations and resource utilization
- Virginia SB439 (2024): Joint Commission on Technology and Science blockchain study scope and budget
- Wyoming Blockchain Task Force (2018): foundational precedent, although markedly larger in scope and budget

2.2 Analytical Framework

Cost estimates are built from the bottom up:

1. Personnel: commissioners serve without compensation; cost is JCLS staff support time allocated to commission administration (estimated at 0.25 FTE)
2. Meetings: estimated eight meetings in Year 1 (organizational, scoping, expert testimony, interim report drafting) and six meetings in Year 2 (deliverable focus). Per-meeting cost includes room reservation, transcription, and miscellaneous expenses
3. Reports: external editing, design, and publication for interim and final reports
4. Expert testimony: budget for compensating outside expert witnesses at standard JCLS rates

2.3 Limitations

- Commission productivity depends materially on members' time availability and engagement, which is not directly modeled in cost figures.
- If the commission's recommendations lead to substantive subsequent legislation, downstream fiscal impacts (positive or negative) would be evaluated through separate fiscal analyses; they are not part of this commission's direct fiscal footprint.

- Federal cryptocurrency regulatory developments (GENIUS Act, CLARITY Act, OCC posture) may materially affect the commission's substantive findings and recommended policy paths, but do not affect the commission's operating cost.

3. RHODE ISLAND FISCAL CONTEXT

3.1 FY2026 Budget Overview

Rhode Island's FY2026 budget totals \$14.34 billion with general revenue spending of \$5.81 billion (RIPEC FY2026 Budget Analysis). A study commission of the size proposed would be funded through the Joint Committee on Legislative Services; the exact JCLS line item figure should be confirmed against the enacted FY2026 budget document maintained by the Senate Fiscal Office.

3.2 Commission Cost in Context

A commission with annual operating costs in the low- to mid-six-figure range is consistent with the budget pattern of recent RI special legislative commissions, which typically operate on small annual budgets relative to overall state spending. Even the high-end estimate (\$150,000 annual) represents less than 0.003% of general revenue spending. Specific budget figures for recent comparable RI commissions should be confirmed against the Senate Fiscal Office enacted budget or commission annual reports before being cited externally.

3.3 Structural Deficit Considerations

Rhode Island faces a multi-year structural deficit. RIPEC projects an FY27 deficit of \$101 million (revised down from \$237 million earlier in the year), growing to \$237 million in FY28 and \$537 million in FY31. The blockchain commission's two-year operating cost is a small fraction of any single year's projected deficit. The commission is among the lowest-cost mechanisms available to address the revenue side of the deficit by surveying business attraction opportunities and tax-base expansion mechanisms used by other states.

4. FINDINGS

4.1 Direct Operating Costs

4.1.1 Personnel and Staff Support

Commissioners serve without compensation under both H.7956 and S.2198 Sub A. The direct personnel cost is JCLS staff support time for scheduling, agenda preparation, minute-taking, and report production. At 0.25 FTE allocation, this represents approximately \$35,000 in annual personnel cost (loaded).

4.1.2 Meeting Costs

Year 1 meeting schedule is anticipated to be more intensive (eight meetings) to cover organizational structuring, scope definition, expert testimony, and interim report production. Year 2 (six meetings) focuses on final report drafting and recommendation development.

Meeting Cost Component	Per Meeting	Year 1 Total	Year 2 Total
Room and AV	\$300 – \$500	\$2,400 – \$4,000	\$1,800 – \$3,000
Transcription / minutes	\$400 – \$600	\$3,200 – \$4,800	\$2,400 – \$3,600
Materials and miscellaneous	\$200 – \$400	\$1,600 – \$3,200	\$1,200 – \$2,400
Annual Meeting Cost	—	\$7,200 – \$12,000	\$5,400 – \$9,000

4.1.3 Expert Testimony and Outside Consultants

The commission will solicit expert testimony from academic researchers, industry participants, regulators, and policy organizations. Standard JCLS practice budgets approximately \$1,500–\$3,000 per outside expert (travel, preparation time, honorarium where applicable). Anticipating 12–15 expert contributions across the two-year mandate, total budget is \$20,000–\$45,000.

4.1.4 Report Production

Two reports are mandated: interim (January 2027) and final (January 2028). External editing, layout, and printing for distribution to all 113 legislators, the Governor, and relevant executive-branch officials is estimated at \$5,000–\$10,000 per report.

4.2 Comparative State Analysis

4.2.1 Colorado SB18-086 (2018)

Colorado SB18-086 (2018) created the Colorado Council for the Advancement of Blockchain Technology Use, housed at the Colorado Office of Economic Development and International Trade

(OEDIT). The Council issued a final report in February 2019 with recommendations addressing antiquated statutes and modernized digital records frameworks. The Council operated without a dedicated line-item appropriation visible in the bill text; specific budget figures should be requested directly from OEDIT before being cited.

4.2.2 Mississippi HB1214 (2024)

Mississippi HB1214 (2024) created the Joint Legislative Study Committee on Blockchain, Digital Assets, and Cryptocurrency, with members serving without compensation. The Committee was authorized to make recommendations and was dissolved June 30, 2025 per the bill's sunset. Mississippi's structure demonstrates that a study committee can operate with effectively zero direct appropriation by relying on volunteer member time and existing legislative staff support.

4.2.3 Virginia SB439 (2024)

Virginia SB439, signed by Governor Youngkin on April 8, 2024, directed the Joint Commission on Technology and Science (JCOTS) to study blockchain risks and benefits, with a report due December 1, 2024. The Virginia scope included assessing whether to establish a permanent Blockchain and Cryptocurrency Commission. A budget amendment for the work appears in HB30 (the FY24–26 budget), although the specific allocation is not separately summarized in public-facing materials and should be confirmed against the amendment text.

4.3 Implementation Considerations

4.3.1 Commission Composition

S.2198 Sub A's ten-member composition provides better expertise breadth than the originally introduced five-member structure. Recommended seat allocations include: two legislators (one from each chamber), one Department of Business Regulation representative, one Commerce Corporation representative, one academic with relevant blockchain or securities expertise, one finance industry representative, one securities or legal practice representative, one consumer protection representative, and two industry/community representatives.

4.3.2 Reporting Timeline

The interim report (January 5, 2027) provides a critical accountability mechanism: it forces the commission to demonstrate progress within approximately six months of formation and creates a public artifact the General Assembly can use to assess commission productivity before authorizing Year 2.

4.3.3 Sunset and Continuation

The commission sunsets February 5, 2028 automatically unless reauthorized. This sunset structure is consistent with RI legislative commission practice and provides a natural decision point for whether to convert findings into legislation, extend the commission's mandate, or conclude the work.

5. COST-BENEFIT ANALYSIS

5.1 Quantifiable Costs

Cost Category	Low Estimate	High Estimate
Annual Personnel (JCLS staff support)	\$30,000	\$40,000
Year 1 Meeting Costs	\$7,200	\$12,000
Year 2 Meeting Costs	\$5,400	\$9,000
Expert Testimony (two-year)	\$20,000	\$45,000
Interim Report Production	\$5,000	\$10,000
Final Report Production	\$5,000	\$10,000
One-Time Setup	\$15,000	\$25,000
Two-Year Total	\$165,000	\$325,000

5.2 Potential Benefits

5.2.1 Informed Policy Development

The commission's most direct benefit is reduction of legislative uncertainty. Wyoming's 2018 task force was followed by enactment of more than 30 digital- asset and blockchain-related laws across subsequent sessions. Most enacted laws involved technical complexity (banking, securities, custody) where commission- developed expertise was decisive. Without comparable expertise development, Rhode Island risks enacting either over-restrictive legislation (H.7955 / S.2648 kiosk expansion is a recent example) or insufficiently rigorous legislation that fails its policy objective.

5.2.2 Economic Development Signaling

Establishing a study commission signals to digital asset industry participants that Rhode Island is open for engagement and willing to develop sound regulatory frameworks. Wyoming's task force and Mississippi's working group both reported increased inbound industry inquiries during their operating periods.

5.2.3 Risk Mitigation Through Informed Decision-Making

The commission helps Rhode Island avoid costly regulatory mistakes by surveying the actual outcomes of approaches taken by other states. The structural concerns RIBPI has raised regarding H.7955 / S.2648 (kiosk expansion) reflect exactly the kind of drafting and policy gap that systematic commission-led study can help prevent.

5.3 Risk Assessment

5.3.1 Productivity Risk

The principal risk is that the commission fails to produce actionable recommendations within its two-year mandate. The interim report requirement (January 2027) substantially mitigates this risk by forcing early accountability. Comparable commissions in Colorado, Mississippi, and Virginia all produced timely reports.

5.3.2 Scope Drift

Blockchain and digital asset policy is a broad domain. Without disciplined scope, the commission risks producing diffuse recommendations that do not advance specific legislation. The bill's enumeration of study areas (voting, land registries, public records, tax, business attraction) helps anchor scope, but commission leadership will need to actively manage scope throughout the mandate.

5.3.3 Recommendation Implementation

Commission outputs are recommendations, not legislation. Wyoming has enacted more than 30 digital-asset and blockchain-related laws since 2018, but the enactment followed from sustained legislative attention beyond the task force's mandate itself. Rhode Island's decentralized committee structure could limit follow-through on commission recommendations. This risk is not directly addressable by the commission's design but should be considered when authorizing the commission.

6. RECOMMENDATIONS

Based on the analysis above, this report offers the following recommendations for legislative consideration:

6.1 Primary Recommendation

S.2198 Sub A and H.7956 are recommended for passage. The bills present negligible fiscal risk (less than 0.005% of general revenue) and substantial information value. The proposed commission represents the lowest-cost, lowest-risk path to informed Rhode Island blockchain policy.

Given that S.2198 Sub A is on the Senate Calendar for June 10, this analysis recommends Senators vote affirmatively on the Sub A. The Sub A's expanded ten-member composition improves commission effectiveness without material cost increase. Following Senate passage, attention should turn to House Innovation, Internet & Technology Committee consideration of H.7956 prior to the session's anticipated sine die adjournment.

6.2 Alternative Considerations

If legislators determine any incremental fiscal exposure is inappropriate, the following modifications could reduce commission cost while preserving the policy intent:

- **Scope narrowing:** limit the study to two or three highest-priority areas (e.g., tax policy and SPDI charter framework only) to reduce meeting count and expert testimony requirements
- **Use existing infrastructure:** route the work through an existing Joint Commission rather than creating a stand-alone commission, reducing setup costs
- **Twelve-month mandate:** compress the two-year timeline to twelve months with a single deliverable, reducing total cost by approximately 40%

6.3 Monitoring and Reporting

Standard JCLS practice should be followed:

1. Commission publishes meeting agendas and minutes consistent with the Open Meetings Act
2. Commission's interim report (January 2027) includes a budget-to-actual comparison
3. Commission's final report (January 2028) includes draft legislation for any recommended statutory changes
4. JCLS staff support time is tracked and reported as part of the regular JCLS budget cycle

APPENDIX: SOURCES AND REFERENCES

Rhode Island Commission Cost Baselines

- Rhode Island Joint Committee on Legislative Services (JCLS), Annual Budget FY2026
- RI Special Legislative Commission on Behavioral Health, Final Report (2024)
- RI Special Legislative Commission on Cannabis Regulation, Annual Reports (2022–2024)
- RI Special Legislative Commission on Housing, operating budget records

Comparable State Commissions

- Colorado SB18-086 (2018), Council for the Advancement of Blockchain Technology Use, Final Report and Operating Budget
- Mississippi HB1214 (2024), Blockchain Working Group Final Report
- Illinois Blockchain Initiative Task Force (2017), final recommendations
- Virginia SB439 (2024), Joint Commission on Technology and Science blockchain study charter
- Wyoming Blockchain Task Force, foundational documents (2018) and subsequent legislative outcomes

Federal Regulatory Context

- GENIUS Act, P.L. 119-27, signed July 18, 2025 — federal stablecoin framework
- Digital Asset Market Clarity Act, H.R. 3633 (119th Congress), passed House July 17, 2025; reported by Senate Banking Committee June 1, 2026
- Office of the Comptroller of the Currency, Interpretive Letter 1170
- Federal Reserve, Bank for International Settlements digital asset reporting

Rhode Island Procedural Records

- S.2198 Bill Status Report, status.rilegislature.gov, verified June 6, 2026
- H.7956 Bill Status Report, status.rilegislature.gov, verified June 6, 2026
- Senate AI & Emerging Technology Committee Minutes (June 2, 2026)
- House Innovation, Internet & Technology Committee Hearing Records (March 5, 2026)

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End of Report