

STATE OF RHODE ISLAND
GENERAL ASSEMBLY

FISCAL IMPACT ANALYSIS

H.7956 (House) / S.2198 (Senate)

Blockchain and Cryptocurrency Study Commission

An Act Creating a Special Legislative Commission to Study Blockchain Technology

Prepared for:

Members of the Rhode Island General Assembly

2026 Session

EXECUTIVE SUMMARY

This fiscal impact analysis examines H.7956 / S.2198, which proposes the creation of a special legislative commission to study blockchain technology and cryptocurrency applications for Rhode Island. The companion bills, sponsored by Senators DiPalma, Gu, Burke, Urso, Paolino, and Zurier, build on the 2025 session's H.5810/S.0373 and represent a measured, study-first approach to blockchain policy.

Key Provisions

- Creates a special legislative commission comprising legislators, state agency officials, and industry experts
- Studies blockchain applicability for government operations: voting, land registries, and public records
- Evaluates tax implications, revenue opportunities, and cost efficiencies
- Requires interim report by January 2027 and final report by January 2028

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 legislative study commissions in Rhode Island.
2. The commission produces no direct revenue impact, positive or negative. It generates recommendations only, with any fiscal implications occurring through future legislation.
3. Comparable study commissions in other states (Colorado, Mississippi) have led to measurable economic development outcomes, with Colorado's blockchain study directly informing the Colorado Digital Token Act, which attracted over 20 blockchain companies to the state.
4. The study-first approach avoids the costly regulatory mistakes that have occurred in states that adopted blockchain legislation without thorough analysis (e.g., New York's BitLicense, which drove businesses to other jurisdictions).

1. DETAILED COST ANALYSIS

1.1 Commission Operating Costs

Legislative study commissions in Rhode Island typically operate with modest budgets drawn from general appropriations. Based on comparable commissions, the following cost breakdown is estimated:

Cost Category	Low Estimate	High Estimate
Staff Support (part-time coordinator)	\$30,000	\$50,000
Expert Consultants and Witnesses	\$15,000	\$40,000
Meeting Facilities and Administrative	\$5,000	\$10,000
Travel (fact-finding visits to peer states)	\$10,000	\$25,000
Report Preparation and Publication	\$10,000	\$15,000
Technology and Research Resources	\$5,000	\$10,000
Total Annual Operating Cost	\$75,000	\$150,000

1.2 Cost Context

Rhode Island's FY2026 general revenue spending totals \$5.81 billion. The commission's maximum annual cost of \$150,000 represents approximately 0.003% of general revenue — less than the cost of a single state employee position.

2. COMPARATIVE STATE ANALYSIS

2.1 Colorado SB18-086 (2018)

Colorado created a similar blockchain study commission in 2018, which operated for approximately 18 months with a budget of roughly \$120,000. The commission's recommendations directly led to the Colorado Digital Token Act, which exempted certain blockchain tokens from state securities registration. Colorado has since attracted over 20 blockchain companies and positioned itself as a top-5 state for blockchain employment.

2.2 Mississippi HB1214 (2024)

Mississippi established a blockchain and cryptocurrency study committee in 2024, with a two-year mandate and an estimated budget of \$100,000. The committee is currently conducting its analysis, with particular focus on government records management and financial regulatory frameworks.

2.3 New York BitLicense (2015) — Cautionary Example

New York's BitLicense regulation, adopted without a comprehensive study process, has been widely criticized for driving cryptocurrency businesses out of the state. Over 20 companies have publicly stated they left New York or avoided entering the market due to BitLicense requirements. This underscores the value of a study-first approach.

3. RECOMMENDATIONS

Given the minimal fiscal cost and significant potential for informed policy development, this analysis recommends passage of H.7956/S.2198. Specific recommendations:

1. Appropriate \$150,000 per year for two years to fully fund commission operations.
2. Require commission to publish meeting agendas and minutes publicly for transparency.
3. Include at least one representative from the Rhode Island Blockchain Council as a commission member.
4. Direct the commission to produce specific legislative proposals alongside its analytical findings.
5. Establish clear metrics for evaluating the commission's effectiveness and impact.

SOURCES AND REFERENCES

Rhode Island Office of Management and Budget, FY 2026 Governor's Budget
Colorado SB18-086 (2018) — Blockchain Study Commission Final Report
Mississippi HB1214 (2024) — Blockchain Study Committee Charter
Wyoming Legislature — Blockchain Task Force Reports (2018-2025)
National Conference of State Legislatures — Blockchain Legislation Tracker 2026

End of Report