
SUBSTITUTE HOUSE BILL 1729

State of Washington

67th Legislature

2022 Regular Session

By House Community & Economic Development (originally sponsored by Representatives Senn, Paul, Ryu, and Leavitt)

1 AN ACT Relating to establishing the Washington blockchain work
2 group; creating a new section; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) Subject to the availability of amounts
5 appropriated for this specific purpose, the Washington blockchain
6 work group is established. The purpose of the work group is to
7 examine various potential applications of and policies for blockchain
8 technology including, but not limited to, applications in computing,
9 banking and other financial services, the real estate transaction
10 process, health care, supply chain management, higher education,
11 identity verification, and public recordkeeping to help attract and
12 support employees and new businesses with a supportive ecosystem.

13 (2) The work group is composed of the following members:

14 (a) One senator from each of the two largest caucuses of the
15 senate, appointed by the president of the senate;

16 (b) One representative from each of the two largest caucuses of
17 the house of representatives, appointed by the speaker of the house
18 of representatives;

19 (c) The director of the department of commerce or the director's
20 designee;

- 1 (d) A cybersecurity expert with experience in blockchain
2 technology or its applications;
- 3 (e) An individual representing a Washington-based technology
4 trade association for the full cross-section of the technology
5 sector;
- 6 (f) An individual from the Cascadia blockchain council;
- 7 (g) An individual from a higher education institution in the
8 field of blockchain;
- 9 (h) An individual representing a trade association for financial
10 services companies that do business in Washington;
- 11 (i) An individual representing a trade association for title
12 insurance companies that do business in Washington;
- 13 (j) An individual representing a trade association for health
14 care companies that do business in Washington;
- 15 (k) An individual representing an association for county
16 government officials in Washington;
- 17 (l) An individual representing a trade association for
18 Washington-based agriculture;
- 19 (m) An individual representing a trade association for property
20 and casualty insurance companies that do business in Washington;
- 21 (n) An individual representing an association for public utility
22 districts in Washington;
- 23 (o) An individual representing a consumer advocacy organization;
- 24 (p) An individual representing a large company who has experience
25 working with blockchain applications;
- 26 (q) An individual representing a small company who has experience
27 working with blockchain applications;
- 28 (r) Two individuals representing the Washington state labor
29 council working in the fields impacted by blockchain technology or
30 its applications; and
- 31 (s) Two individuals representing advocacy organizations that
32 represent individuals or protected classes of communities
33 historically impacted by surveillance technologies and bias in
34 technology-based systems.

35 (3) The individuals listed in subsection (2)(d) through (s) of
36 this section must be designated by their organization or association
37 or the director of the department of commerce.

38 (4) In addition to the members listed in subsection (2) of this
39 section, the following individuals shall serve as ex officio members
40 of the work group: The director of the department of financial

1 institutions, or the director's designee; the director of Washington
2 technology solutions, the consolidated technology services agency, or
3 the director's designee; the director of the department of
4 agriculture, or the director's designee; the insurance commissioner
5 or the insurance commissioner's designee; the director of the
6 department of ecology, or the director's designee; the state auditor,
7 or the state auditor's designee; the secretary of state, or the
8 secretary's designee; the director of the department of revenue, or
9 the director's designee; and the director of the health care
10 authority, or the director's designee.

11 (5) In addition to the members of the work group under
12 subsections (2) and (4) of this section, individuals representing
13 other sectors may be invited by the chair, in consultation with the
14 other appointed members of the work group, to participate in an
15 advisory capacity in meetings of the work group. Individuals
16 participating in an advisory capacity under this subsection are not
17 members of the work group, may not vote, and are not subject to the
18 appointment process established in this section. There is no limit to
19 the number of individuals who may participate in work group meetings
20 in an advisory capacity under this subsection.

21 (6) A majority of the work group members constitutes a quorum. If
22 a member has not been designated for a position set forth in this
23 section, that position may not be counted for the purpose of
24 determining a quorum.

25 (7) The work group shall hold its inaugural meeting by December
26 1, 2022. The work group shall elect a chair from among its members at
27 the inaugural meeting. The election of the chair must be by a
28 majority vote of the work group members who are present at the
29 inaugural meeting. The chair of the work group is responsible for
30 arranging subsequent meetings and developing meeting agendas.

31 (8) Staff support for the work group, including arranging the
32 inaugural meeting of the work group and assisting the chair of the
33 work group in arranging subsequent meetings, must be provided by the
34 department of commerce.

35 (9) Legislative members of the work group may be reimbursed for
36 travel expenses in accordance with RCW 44.04.120. Nonlegislative
37 members are not entitled to be reimbursed for travel expenses if they
38 are elected officials or are participating on behalf of an employer,
39 governmental entity, or other organization. Any reimbursement for
40 other nonlegislative members is subject to chapter 43.03 RCW.

1 (10) The work group is a class one group under chapter 43.03 RCW.

2 (11) A public comment period must be provided at every meeting of
3 the work group.

4 (12) The work group shall submit a report to the governor and the
5 appropriate committees of the legislature by December 1, 2023, on
6 recommended policies that will facilitate the development of
7 blockchain applications and the sector overall in Washington, grow
8 the related workforce, evaluate environmental advantages and
9 concerns, make Washington a favorable place to do business, address
10 racial equity considerations, and improve the lives of Washington
11 residents.

12 (13) The work group may create subcommittees to perform duties
13 under this section.

14 (14) This section expires January 1, 2024. The work group is
15 dissolved upon the expiration of this section.

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