

Honolulu, Hawaii

FEB 07 , 2020

RE: H.B. No. 2594
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Intrastate Commerce, to which was referred
H.B. No. 2594 entitled:

"A BILL FOR AN ACT RELATING TO BLOCKCHAIN TECHNOLOGY,"

begs leave to report as follows:

The purpose of this measure is to establish a Blockchain Working Group to recommend a definition for blockchain technology and provide recommendations for individuals, businesses, and state agencies on how to use blockchain technology.

Your Committee received testimony in support of this measure from Blockchain Solutions Hawaii LLC and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that blockchain technology has the potential to provide significant benefits to the public and private sectors. This measure will assist future legislators in regulating blockchain technology by establishing a working group to develop a standard definition of blockchain technology and develop recommendations on the use of blockchain technology across multiple sectors.

Your Committee has amended this measure by:



- (1) Establishing the working group in the Office of Enterprise Technology Services (ETS), rather than the Department of Commerce and Consumer Affairs (DCCA);
- (2) Changing the chairperson of the working group from the Director of DCCA to the Chief Information Officer of ETS;
- (3) Expanding the membership of the working group;
- (4) Amending language to permit, rather than require, the chairperson to invite non-agency representatives to serve as members of the working group;
- (5) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Intrastate Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2594, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2594, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Intrastate
Commerce,



TAKASHI OHNO, Chair



Record of Votes of the Committee on Intrastate Commerce

Bill/Resolution No.: HB2594	Committee Referral: IAC, CPC, FIN	Date: 02/04/2020		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
IAC Members	Ayes	Ayes (WR)	Nays	Excused
1. OHNO, Takashi (C)	✓			
2. KOBAYASHI, Dale T. (VC)	✓			
3. GATES, Cedric Asuega	✓			
4. KONG, Sam Satoru	✓			
5. NISHIMOTO, Scott Y.	✓			
6. TAKAYAMA, Gregg	✓			
7. McDERMOTT, Bob	✓			
TOTAL (7)	7			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				