

STAND. COM. REP. NO. 3135

Honolulu, Hawaii

**MAR 04 2022**

RE: S.B. No. 3025  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3025, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DIGITAL CURRENCY LICENSING PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a program for the licensure, regulation, and oversight of digital currency companies.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation and eleven individuals.

Your Committee received written comments in opposition to this measure from Coin Center, Libertarian Party of Hawaii, and two individuals.

Your Committee received written comments on this measure from the Division of Financial Institutions of the Department of Commerce and Consumer Affairs, Electronic Transactions Association, Grassroot Institute of Hawaii, and one individual.

Your Committee finds that, although digital currency has grown in popularity and acceptance worldwide, there is little regulation of the industry in the United States, with a few states

SB3025 SD2 SSCR LRB 22-1531.doc



treating digital currency activities as within the scope of their money transmitter laws. Your Committee also finds that a study conducted by the Department of Commerce and Consumer Affairs and the High Technology Development Corporation determined that digital currency transactions are not best regulated through existing money transmitter laws and that a new regulatory framework is appropriate.

Your Committee has amended this measure by:

- (1) Clarifying the definition of the term "digital currency business activity";
- (2) Removing a reference to the Electronic Fund Transfer Act of 1978; and
- (3) Clarifying the financial institutions that are exempt from the digital currency licensing program established by this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3025, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3025, S.D. 2.

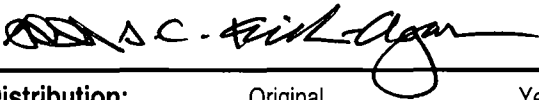
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 3025, SD1	CPN/EET, WAM	3/2/22		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MISALUCHA, Bennette E.	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	11			
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes