

By the Committee on Innovation, Industry, and Technology; and  
Senator Gruters

580-03763-19

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1 A bill to be entitled  
2 An act relating to blockchain technology; providing  
3 legislative findings; establishing the Florida  
4 Blockchain Task Force within the Department of  
5 Financial Services; requiring the task force to  
6 develop a specified master plan; specifying the  
7 composition of the task force; specifying duties and  
8 procedures of the task force; providing that task  
9 force members shall serve without compensation but are  
10 entitled to certain reimbursement; requiring the task  
11 force to submit a specified report to the Governor and  
12 the Legislature and to make presentations; providing  
13 that the task force is entitled to assistance and  
14 services of state governmental entities; requiring the  
15 department to provide support staff and other  
16 assistance to the task force; providing for  
17 termination of the task force; providing an effective  
18 date.

19  
20 Be It Enacted by the Legislature of the State of Florida:

21  
22 Section 1. (1) The Legislature finds that:

23 (a) Blockchain technology and distributed ledger technology  
24 allow the secure recording of transactions through cryptographic  
25 algorithms and distributed record sharing, and such technology  
26 has reached a point where the opportunities for efficiency, cost  
27 savings, and cybersecurity deserve study.

28 (b) Blockchain technology is a promising way to facilitate  
29 more efficient government service delivery models and economies

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30 of scale, including facilitating safe paperless transactions and  
31 recordkeeping that are nearly impervious to cyberattacks and  
32 data destruction.

33 (c) Blockchain technology can reduce the prevalence of  
34 disparate government computer systems, databases, and custom-  
35 built software interfaces; reduce costs associated with  
36 maintenance and implementation; streamline information sharing;  
37 and allow more areas of the state to electronically participate  
38 in government services.

39 (d) Nations, other states, and municipalities across the  
40 world are studying and implementing governmental reforms that  
41 bolster trust and reduce bureaucracy through verifiable open  
42 source blockchain technology in a variety of areas, including,  
43 but not limited to, medical and health records, land records,  
44 banking, tax and fee payments, smart contracts, professional  
45 accrediting, and property auctions.

46 (e) It is in the public interest to establish a Florida  
47 Blockchain Task Force comprised of government and industry  
48 representatives to study the ways in which state, county, and  
49 municipal governments can benefit from a transition to a  
50 blockchain-based system for recordkeeping, security, and service  
51 delivery and to develop and submit recommendations to the  
52 Governor and the Legislature concerning the potential for  
53 implementation of blockchain-based systems that promote  
54 government efficiencies, better services for citizens, economic  
55 development, and safer cyber-secure interaction between  
56 government and the public.

57 (2) The Florida Blockchain Task Force, a task force as  
58 defined in s. 20.03, Florida Statutes, is established within the

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59 Department of Financial Services to explore and develop a master  
60 plan for fostering the expansion of the blockchain industry in  
61 the state, to recommend policies and state investments to help  
62 make this state a leader in blockchain technology, and to issue  
63 a report to the Governor and the Legislature. The task force  
64 shall study if and how state, county, and municipal governments  
65 can benefit from a transition to a blockchain-based system for  
66 recordkeeping, data security, financial transactions, and  
67 service delivery and identify ways to improve government  
68 interaction with businesses and the public.

69 (a) The master plan shall:

70 1. Identify the economic growth and development  
71 opportunities presented by blockchain technology.

72 2. Assess the existing blockchain industry in the state.

73 3. Identify innovative and successful blockchain  
74 applications currently used by industry and other governments to  
75 determine viability for state applications.

76 4. Review workforce needs and academic programs required to  
77 build blockchain technology expertise across all relevant  
78 industries.

79 5. Make recommendations to the Governor and the Legislature  
80 that will promote innovation and economic growth by reducing  
81 barriers to and expedite the expansion of the state's blockchain  
82 industry.

83 (b) The task force shall consist of 12 members. Membership  
84 shall be as follows:

85 1. Three agency heads or executive directors of cabinet  
86 agencies, or their designees, appointed by the Governor.

87 2. Four members of the private sector with knowledge and

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88 experience in blockchain technology, appointed by the Governor.

89 3. Three members from the private sector with knowledge and  
90 experience in blockchain technology, appointed by the Chief  
91 Financial Officer.

92 4. One member from the private sector with knowledge and  
93 experience in blockchain technology, appointed by the President  
94 of the Senate.

95 5. One member from the private sector with knowledge and  
96 experience in blockchain technology, appointed by the Speaker of  
97 the House of Representatives.

98  
99 Members of the task force shall reflect the ethnic diversity of  
100 the state.

101 (c) Within 90 days after the effective date of this act, a  
102 majority of the members of the task force must be appointed and  
103 the task force shall hold its first meeting. The task force  
104 shall elect one of its members to serve as chair. Members of the  
105 task force shall serve for the duration of the existence of the  
106 task force. Any vacancy that occurs shall be filled in the same  
107 manner as the original appointment. Task force members shall  
108 serve without compensation, but are entitled to reimbursement  
109 for per diem and travel expenses as provided in s. 112.061,  
110 Florida Statutes.

111 (d) The task force shall study blockchain technology,  
112 including, but not limited to, the following:

113 1. Opportunities and risks associated with using blockchain  
114 and distributed ledger technology for state and local  
115 governments.

116 2. Different types of blockchains, both public and private,

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117 and different consensus algorithms.

118 3. Projects and cases currently under development in other  
119 states and local governments, and how these cases could be  
120 applied in this state.

121 4. Ways the Legislature can modify general law to support  
122 secure paperless recordkeeping, increase cybersecurity, improve  
123 interactions with citizens, and encourage blockchain innovation  
124 for businesses in the state.

125 5. Identifying potential economic incentives for companies  
126 investing in blockchain technologies in collaboration with the  
127 state.

128 6. Recommending projects for potential blockchain  
129 solutions, including, but not limited to, use cases for state  
130 agencies that would improve services for citizens or businesses.

131 7. Identifying the technical skills necessary to develop  
132 blockchain technology and ensuring that instruction in such  
133 skills is available at secondary and postsecondary educational  
134 institutions in this state.

135 (3) The task force shall submit a report to the Governor,  
136 the President of the Senate, and the Speaker of the House of  
137 Representatives and present its findings to the appropriate  
138 legislative committees in each house of the Legislature within  
139 180 days after the initial meeting of the task force. The report  
140 must include:

141 (a) A general description of the costs and benefits of  
142 state and local government agencies using blockchain technology.

143 (b) Recommendations concerning the feasibility of  
144 implementing blockchain technology in the state and the best  
145 approach to finance the cost of implementation.

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146 (c) Recommendations for specific implementations to be  
147 developed by relevant state agencies.

148 (d) Any draft legislation the task force deems appropriate  
149 to implement such blockchain technologies.

150 (e) Identification of one pilot project that may be  
151 implemented in the state.

152 (f) Any other information deemed relevant by the task  
153 force.

154 (4) The task force is entitled to the assistance and  
155 services of any state agency, board, bureau, or commission as  
156 necessary and available for the purposes of this act.

157 (5) The Department of Financial Services shall provide  
158 support staff for the task force and any relevant studies, data,  
159 and materials in its possession to assist the task force in the  
160 performance of its duties.

161 (6) The task force shall terminate upon submission of the  
162 report and the presentation of findings.

163 Section 2. This act shall take effect upon becoming a law.