

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.

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

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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.

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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.