

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 3279</b>
<b>Version:</b>	<b>FA1</b>
<b>Request Number:</b>	<b>10875</b>
<b>Author:</b>	<b>Rep. Humphrey</b>
<b>Date:</b>	<b>3/9/2022</b>
<b>Impact:</b>	<b>Preliminary</b>
	<b>Additional Analysis Pending</b>

**Application is Expected to  
Increase Compliance and Reporting  
Potential Revenue Increase  
Potential Cost and Enforcement Efficiencies**

**Research Analysis**

The floor amendment to HB 3279 creates the Oklahoma Distributed Ledger Technology Assets Offering Act. The State is directed to create an integrated logistics, information, and payment tracking ecosystem in support of state agencies and tribal, county, and local government subdivisions for the purposes of facilitating information and revenue recording and prevent cybercrimes and other illicit activities. The ecosystem is intended to make cashless purchasing easier with digital asset payment systems, which will also accommodate cash payments if certain parties do not have access to banking services. The measure lays out several provisions for the implementation of the ecosystem, including software and contracting requirements. Every ecosystem must be designed to become autonomous and disintermediated by using programmable smart contracts.

The measure defines *blockchain* as a system or distributed digital ledger of transactions maintained by a network of computers in a way that is difficult to hack or alter. Every time a new transaction occurs on the blockchain, a record will be added to every participants' ledger. It may also be interpreted interchangeably as *ecosystem*.

The measure also provides for regulation of convertible virtual currency, including the requirement that convertible virtual currency designed for the state and its political subdivisions be transferred or converted at the face value of \$1.

In order to prevent tax evasion and other financial crimes, the operator of the ecosystem must provide relative tax revenue and other information with the Office of Management and Enterprise Services (OMES) and the Oklahoma Tax Commission (OTC). OTC is directed to promulgate rules and regulations on how to collect taxes using a convertible virtual currency, and OTC, OMES, the State Treasurer, and the Secretary of State are directed to promulgate rules to implement this act. The Legislative Office of Fiscal Transparency is granted the authority to request and receive without unreasonable delay data from a distributed ledger technology asset offering agent to ensure that policymakers are operating with transparent datasets.

Finally, the measure provides that this act may first be implemented for the lawful regulation of the medical marijuana industry in the state.

Prepared By: Emily McPherson

## **Fiscal Analysis**

The measure directs the State to develop and employ an integrated logistics, information, and payment tracking system which uses hack-resistant, distributed ledger technologies in support of governmental entities.

Analysis continues to be applied, but the implementation of such a system is expected to result in improved compliance and reporting, which may result in increased revenue. Further, the application of the technology may assist governmental entities in enforcement of applicable laws and regulation and provide improved data and information used in enforcing the law. By providing an improved environment cost efficiencies are expected to occur.

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## **Other Considerations**

The measure directs the state to contract with parties with the competence to provide the distributed ledger technology. The value of any and all contracts will not be fully known until such agreements are executed.