

Draft Only  
Approval Pending  
**SUMMARY of  
PROCEEDINGS**



**SELECT COMMITTEE ON BLOCKCHAIN, FINANCIAL TECHNOLOGY AND  
DIGITAL INNOVATION TECHNOLOGY**

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**COMMITTEE MEETING INFORMATION**

June 12, 2020 | 12:30 PM

Online only

The meeting was held remotely due to the COVID-19 health emergency  
Cheyenne, Wyoming

**COMMITTEE MEMBERS PRESENT**

Senator Chris Rothfuss, Co-chairman  
Representative Jared Olsen, Co-chairman  
Senator Dan Dockstader  
Senator Tara Nethercott  
Representative Mike Greear  
Representative Tyler Lindholm  
Representative Mike Yin (part day)  
Matthew D. Kaufman  
Caitlin Long  
Joel Revill

**COMMITTEE MEMBERS NOT PRESENT**

Senator Ogden Driskill

**LEGISLATIVE SERVICE OFFICE STAFF**

David Hopkinson, Staff Attorney  
Kelley Shepp, Research Analyst

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## EXECUTIVE SUMMARY

The Select Committee on Blockchain, Financial Technology and Digital Innovation Technology (Committee) met online for one day to receive updates from state agencies and stakeholders related to digital identity and related topics.

## CALL TO ORDER (FRIDAY, JUNE 12, 2020)

Co-Chairman Jared Olsen called the meeting to order at 6/12/2020 12:33 PM. The following sections summarize the Committee proceedings by topic. Please refer to ([Appendix 1-01](#)) to review the Committee Meeting Agenda.

## DIGITAL IDENTITY UPDATES

David Murry, private citizen, discussed previous legislation from the Blockchain Task Force and how the Committee can start to create hybrid legislation with more involvement of the community and industry moving forward. Mr. Murry discussed the success of the Wyoming Hackathon noting that his team competed in the governance category and created a naming system for the Wyoming Secretary of State's Office. Mr. Murry also discussed the need to get the Secretary of State's Application Programming Interface (API) system in place in order for industry to access corporate filings, entity creation, and allow county and state functions to be digitized. Mr. Murry also discussed the API system in Delaware and a test that is being run on Uniform Commercial Code (UCC) filings.

Marcus Olszok, and Felix Kroschke, Kroschke Group, gave the Committee background on their company and explained that they are the market leader in Germany for digitalized vehicle registration. Mr. Olszok discussed their carTrust program and explained the benefits of a digitalized vehicle registration system to citizens in Wyoming including the ability to manage, prove, and transfer ownership to other Wyoming residents ([Appendix 2-01](#)). Mr. Olszok also explained the benefits of digital vehicle registration to public entities including easier tax collection, reduction of error rates, lower administration costs, and the ability to use a digitalized system as a blueprint for other types of property, such as real estate.

Charles Potts, Independent Community Bankers Association (ICBA), provided background information on the ICBA and discussed digital identity and compliance burdens related to Know Your Customer (KYC) and the Banking Security Act (BSA). Mr. Potts explained the ICBA recognizes the need to foster and create financial technology (FinTech) innovation which is critical to the long-term health of community banks. Mr. Potts also discussed the need to cultivate relationships and partnerships between FinTech and community banks to help eliminate market entry barriers and speed up implementing meaningful innovative technology.

Leah Popoff and Chris Hein, Google, provided the Committee with an update on their recent activities in Wyoming and discussed digital identity ([Appendix 2-02](#)). Mr. Hein discussed the possibility of creating a centralized digital identity system for social services, which would reduce fraud, modernize government agency systems, and allow constituents easier access to services. Mr. Hein explained that creating digital identities, such as user id's, helps make government systems run more efficiently and effectively. Mr. Hein also discussed a modern approach to government services with a cloud based modernized system ([Appendix 2-04](#)).

Christopher Allen, Blockchain Commons, discussed digital identity, including identity keys in private key disclosure, decentralized forms of digital identity, public health technology, and new blockchain initiatives

(Appendix 2-03). Mr. Allen also discussed 2020 HB0041 and noted issues with the bill that could be resolved by adding identity keys and asked the Committee to consider a new draft of the bill.

Mr. Allen also offered suggestions for the Committee to consider related to digital identity including not focusing on property rights, ensuring that if an individual loses their digital identity, they do not lose access to social services, and looking into decentralized digital identity.

### **Public Comment**

The following individual provided public comment:

Erin Taylor, Microsoft

### **DIGITAL IDENTITY UPDATES, CONT'D**

Pete Teigen, IBM, discussed IBM's blockchain project with the Delaware Secretary of State and other state agencies (Appendix 4-01). Mr. Tiegen discussed key aspects of the project including the collaborative nature of the project, the importance of sharing information between agencies, and how blockchain enables digitized consent and permission management which enhances privacy and confidentiality. Mr. Teigen also explained that the project brings efficiency, timeliness of data sharing, and transparency to create a better customer experience. Mr. Teigen discussed use cases in Delaware related to stock ledgers and UCC filings.

Scott Moeller and Dean Sheaffer, mSHIFT, discussed digital identities and a pilot project that they are bringing to Wyoming (Appendix 4-02). Mr. Moeller explained that free universal self-sovereign digital identities can be provided as a public service under current Wyoming law. Mr. Moeller noted that the process of creating a digital identity can be decentralized, controlled by the individual, and should be free to create and use as a public service.

Mr. Scheaffer explained that mShift is finalizing the application process to bring a new corporation, American World Money (AWM), to Wyoming. AWM will be a pilot public benefit corporation under the Wyoming Financial Sandbox and be overseen by the Secretary of State's Office. Mr. Scheaffer noted that the pilot project will start small with offices in Casper, Cheyenne, and Laramie. Mr. Scheaffer also discussed the need for legislation to create a legal framework for creating a digital identity system. The legislation should include language that allows digital identities to be managed by the individual, be self-sovereign, and allow for multiple uses such as financial uses, and proof of age. Mr. Scheaffer also noted that digital identities need to be free to use and create.

John Drechny and Kathy Hanna, Merchant Advisory Group (MAG), discussed digital identity and the need for a legal framework to develop a free, universal digital identity (Appendix 4-03). Ms. Hanna discussed specific features for a legal framework including identity certification, privacy, universal identity, unbundling identities, and the ownership of transaction data.

Rao Wu, IdentityMind, provided background information on IdentityMind and Accuant explaining that they are an identity management orchestration hub (Appendix 4-04). Mr. Wu explained that his company helps clients govern how they build and manage their digital identity, and adhere to identity proofing and compliance issues so that they can manage their digital identity in real time. Mr. Wu also discussed digital identity management for customers.

### **Wyoming Department of Transportation**

General K. Luke Reiner, Director, Wyoming Department of Transportation (WYDOT), discussed the concept of a digital real ID for a compliant license which was put into place by 2020 HEA0008 ([Appendix 4-05](#)).

Taylor Rossetti, Support Services Administrator, WYDOT, discussed 2020 HEA0008 and noted that the legislation does not require businesses to utilize electronic identification and participation and is optional. Mr. Rossetti discussed a national pilot project relating to mobile drivers licenses that WYDOT participated in between 2018-2019. The pilot project included Colorado, Idaho, Maryland, the District of Columbia, and Wyoming. Phase I of the project looked at use cases including a law enforcement simulation for roadside stops, age verification, and a Transportation Security Administration use case. Phase II included credential verification.

Troy Babbit, WYDOT, discussed plans for updating the Revenue Information System and noted that WYDOT would like to have a Request for Proposal for the project out by the end of the year. Mr. Babbit also noted that WYDOT would like to work with industry to find innovative ideas to update the system. Mr. Babbit explained that WYDOT has been working with Enterprise Technology Services, counties, and other agencies to move towards implementing the new system.

### **Public Comment**

The following individual provided public comment:

Christopher Allen

### **Committee Action**

Co-Chairman Rothfuss moved to have legislation drafted for the Committee to consider related to the efforts of the Secretary of State's Office to expedite the creation and implementation of a blockchain commercial filing system. The motion was adopted by a voice vote.

Co-Chairman Rothfuss moved that the Committee appoint a working group to draft legislation related to Decentralized Autonomous Organizations (DAO) corporate structure for the Committee to consider. The motion was adopted by a voice vote.

Representative Lindholm moved to have the Committee study legislation from Arizona and California related to autonomous vehicles for their next meeting. The motion was adopted by a voice vote.

Representative Greear moved that the Committee have discussion and consideration of the structure and funding method related to the Wyoming Chancery Courts at their next meeting. The motion was adopted by a voice vote.

Co-Chairman Rothfuss moved that the Committee appoint a working group to draft legislation related to digital legislation for the Committee to consider. The motion was adopted by a voice vote.

## **MEETING ADJOURNMENT**

There being no further business, Co-Chairman Olsen adjourned the meeting at 6:30 PM.

Respectfully submitted,

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Co-Chairman Rothfuss

# Committee Meeting Materials Index

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Index Number	Agenda Item	Document Description	Document Provider
1-01		Agenda	LSO
2-01	Digital Identity Updates	Car Trust Presentation	Kroschke Group
2-02	Digital Identity Updates	Google Cloud	Google
2-03	Digital Identity Updates	Wyoming 2020 Identity Legislation	Christopher Allen
2-04	Digital Identity Updates	Google Presentation	Google
4-01	Digital Identity Updates, Cont'd	Delaware Blockchain	IBM
4-02	Digital Identity Updates, Cont'd	Identity Certification Proposal	mSHIFT
4-03	Digital Identity Updates, Cont'd	Merchant Advisory Group Letter	Merchant Advisory Group
4-04	Digital Identity Updates, Cont'd	Acuant Platform Overview	IdentityMind
4-05	Digital Identity Updates, Cont'd	Blockchain Digital ID	WYDOT