

SUMMARY *of* PROCEEDINGS



SELECT COMMITTEE ON BLOCKCHAIN, FINANCIAL TECHNOLOGY AND DIGITAL INNOVATION TECHNOLOGY

COMMITTEE MEETING INFORMATION

July 27, 2020 | 8:00 AM

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 Ogden Driskill
Senator Tara Nethercott
Representative Mike Greear
Representative Tyler Lindholm
Representative Mike Yin
Matthew D. Kaufman
Caitlin Long
Joel Revill

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 autonomous vehicles, electronic wills, and the Universal Commercial Code. The Committee also received updates from working groups related to Know Your Customer (KYC)/Anti-Money Laundering (AML), digital identity, and decentralized autonomous organizations.

CALL TO ORDER

Co-Chairman Jared Olsen called the meeting to order at 8:20 AM. The following sections summarize the Committee proceedings by topic. Please refer to ([Appendix 1-01](#)) to review the Committee Meeting Agenda.

AUTONOMOUS VEHICLES

Overview of autonomous vehicles

Kelley Shepp, Legislative Service Office (LSO), gave the Committee an overview of autonomous vehicles including federal, congressional, and state actions. Ms. Shepp noted that forty-one states have either enacted legislation or have executive orders related to autonomous vehicles. Ms. Shepp explained that while Congress has introduced legislation related to autonomous vehicles, they have not passed comprehensive legislation.

Wyoming Department of Transportation Presentation

General K. Luke Reiner, Director, Wyoming Department of Transportation (WYDOT) gave the Committee an update on what WYDOT is doing related to autonomous vehicles and necessary activities moving forward ([Appendix 2-05](#)). General Reiner also discussed the creation of a working group tasked with studying how to safely integrate autonomous vehicles into the transportation system.

Jesse Kirchmeier, Emergency Response Planner, WYDOT, discussed the Autonomous Vehicle Working Group, which is responsible for making recommendations including policy, legislation, law enforcement, cross-state coordination, and permitting procedures. Mr. Kirchmeier also discussed four sub-working groups related to legal matters, vehicles, infrastructure and technology, and safety and training. Mr. Kirchmeier also discussed the areas that each of the sub-working groups are responsible for addressing.

Self-Driving Coalition

Ariel Wolf, Self-Driving Coalition, provided background on the coalition and noted that they work with lawmakers and other stakeholders to develop and promote the safe use of fully self-driving vehicles ([Appendix 2-06](#)). Mr. Wolf gave the Committee an overview of autonomous vehicles including key concepts, levels of automation, and recent autonomous vehicle activity. Mr. Wolf also discussed model legislation that the Self-Driving Coalition created to deploy autonomous vehicle technology, promote competition, and avoid unnecessary restrictions on autonomous vehicle technology ([Appendix 2-07](#)). The model legislation has provisions for the operation, licensing, insurance, on-demand networks, registration, and the controlling authority of autonomous vehicles.

Introduction and discussion of 21LSO-0044 v0.05-Advancing autonomous vehicle testing

David Hopkinson, LSO, provided an overview of 21LSO-0044 v0.5-Advancing autonomous vehicle testing ([Appendix 2-04](#)). Mr. Hopkinson explained that the draft legislation is based on an Arizona Executive Order and California legislation ([Appendix 2-02](#)) ([Appendix 2-03](#)). Mr. Hopkinson

explained that the draft legislation provides requirements for the testing and operation of autonomous vehicles on public roads including the licensing, insuring, and operation of autonomous vehicles. Mr. Hopkinson also noted that the draft legislation provides rulemaking authority to WYDOT and requires them to provide a report to the Joint Transportation, Highways and Military Affairs Committee.

The Committee discussed the need for guidance on the testing, driving, and operation of autonomous vehicles. The Committee also discussed federal actions, regulation, and governance of autonomous vehicles.

Committee Action

The Committee will continue to work with LSO staff, WYDOT, and the Joint Transportation, Highways and Military Affairs Committee to move the draft legislation forward.

ELECTRONIC WILLS

Introduction and discussion of 21LSO-0029 v0.6-Uniform electronic wills act

Mr. Hopkinson provided an overview of 21LSO-0029 v0.6-Uniform electronic wills act ([Appendix 3-01](#)). Mr. Hopkinson explained that the draft legislation incorporates the Uniform Electronic Wills Act, prepared by the Uniform Law Commission, into Wyoming law ([Appendix 3-02](#)). Mr. Hopkinson also noted that the draft legislation provides for the modification of existing wills by electronic means. Mr. Hopkinson explained that no state has currently adopted the Uniform Electronic Wills Act, however, four states have passed non-uniform electronic wills legislation and ten to fifteen states are planning on introducing bills in 2021.

The Committee discussed the notarization aspect of wills and noted that they must be signed in person. The Committee also discussed addressing the notarization requirement for wills within the draft legislation.

Public Comment

The following individual provided public comment:

Scott Meier, Scott W. Meier P.C.

Committee Action

The Committee will move the bill forward and put together a working group including Committee members and industry to consider the topic at a future meeting.

UNIFORM COMMERCIAL CODE

Updates

Chris Land, General Counsel, Division of Banking, and Caitlin Long, discussed updates to the Uniform Commercial Code (UCC). Mr. Land discussed an update that the UCC may need to make to allow negotiable instruments to be electronic. Mr. Land and Ms. Long also noted that other states are adopting Wyoming digital asset proposals and discussed refinements to law that may need to be made moving forward.

Mr. Land also discussed an interpretive letter issued from the Office of the Comptroller of the Currency stating that it is permissible for national banks to do digital asset custody.

KYC/AML PORTABILITY WORKING GROUP

The Committee tabled the discussion until later in the day.

DIGITAL IDENTITY WORKING GROUP

Update

Co-Chairman Rothfuss provided an update on the working group including possible draft legislation which would bring value to digital identity through governance. The draft legislation could include a legal definition of digital identity, Wyoming state principles related to digital identity, and allow the recognition of electronic credentialing.

Joel Revill discussed adding a provision related to Wyoming residency in the draft legislation to provide clarification for tax purposes and access to Wyoming laws.

Mr. Land discussed the KYC/AML travel restrictions rule which requires a sending institution to send personally identifying material to the receiving institution for financial transactions above a certain amount.

Christopher Allen, Blockchain Commons, discussed digital identity and ways to enable it in different forms in a safe way. Mr. Allen also discussed a proposed definition of digital identity ([Appendix 7-02](#)).

The working group will continue to work with industry and other stakeholders to develop draft legislation for the Committee to consider at a future meeting.

mShift presentation

Scott Moeller, mShift, and Dean Sheaffer, American World Money discussed self-sovereign digital identity within the commerce ecosystem ([Appendix 7-01](#)). Mr. Moeller discussed the deployment of digital identity and the use of a digital driver's license to confirm an individual's identity. Mr. Moeller also discussed how a digital driver's license can be a revenue generator both to WYDOT and to the state due to increased use and transactions. Mr. Moeller and Mr. Sheaffer discussed working with WYDOT for the deployment and use of a digital driver's license.

Merchant Advisory Group

John Drechny, Merchant Advisory Group, encouraged the Committee to keep including all interested people and stakeholders involved in this process moving forward.

KYC/AML PORTABILITY WORKING GROUP

Update

Mr. Land provided an update on the activity of the working group including ways to use and streamline KYC/AML and the Banking Security Act (BSA) to alleviate the compliance burdens on community banks. Mr. Land also discussed shared services between smaller community banks in Wyoming.

Representative Lindholm discussed banks being tasked with distributing Paycheck Protection Program funds and how rules and regulations were suspended during COVID-19.

The working group will continue to work with stakeholders on this issue and bring additional information for the Committee to consider at a future meeting.

DECENTRALIZED AUTONOMOUS ORGANIZATION WORKING GROUP

Update

Co-Chairman Olsen provided an update on the activities of the working group related to Decentralized Autonomous Organization (DAO). Co-Chairman Olsen discussed concepts including whether to define DAOs as a separate legal entity or build upon existing law. The working group also discussed how much anonymity a DAO is or should be entitled to, liability issues, and digital registered agents.

Aaron Wright, Cardozo Law School, provided background information on DAOs and limited liability autonomous organizations (LAOs) ([Appendix 8-01](#)). Mr. Wright noted variations of DAOs which include being highly automated, member managed, and software managed organizations. Mr. Wright also discussed LAOs and explained that they are hybrid organizations partially backed by existing legal regimes, operate on software, and are identifiable by state regulators. Mr. Wright discussed changes in Wyoming limited liability laws that would help encourage the expansion of DAOs and LAOs.

Mr. Allen discussed challenges to creating DAOs in Wyoming including the legal forms of registered agents. Mr. Allen discussed creating a digital registered agent that could maintain the names of applicable members of the DAO, protect the personal identifiable information of owners, and provide financial trust fiduciary services.

The working group will continue to study DAOs and bring additional information for the Committee to consider at a future meeting.

Public Comment

The following individual provided public comment on DAOs:

Mr. Allen

General Public Comment:

The following individual provided general public comment:

Bob Cornish, Anderson Kill

MEETING ADJOURNMENT

There being no further business, Representative Jared Olsen and Senator Chris Rothfuss adjourned the meeting at 5:30 pm.

Respectfully submitted,

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Co-Chairmen Chris Rothfuss

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Index Number	Agenda Item	Document Description	Document Provider
1-01		Agenda	LSO
2-01	Autonomous Vehicles	20FS024-Autonomous Vehicles	LSO
2-02	Autonomous Vehicles	Arizona Executive Order	LSO
2-03	Autonomous Vehicles	California Autonomous Vehicle Law	LSO
2-04	Autonomous Vehicles	21LSO-0044 v0.5 Advancing autonomous vehicle testing	LSO
2-05	Autonomous Vehicles	WYDOT Automated Vehicles Presentation	WYDOT
2-06	Autonomous Vehicles	Self-Driving Coalition Powerpoint	Self-Driving Coalition
2-07	Autonomous Vehicles	Self-Driving Coalition Model Legislation	Self-Driving Coalition
3-01	Electronic Wills	21LSO-0029 v0.6 Uniform electronic wills act.	LSO
3-02	Electronic Wills	Uniform Electronic Wills Act	LSO
7-01	Digital Identity Working Group	AWM Digital Identity Presentation	mShift
7-02	Digital Identity Working Group	Digital Identity Definition	Christopher Allen
8-01	Decentralized Autonomous Organization Working Group	DAOs and LAOs	Aaron Wright