HR0120

HOUSE RESOLUTION

WHEREAS, The development of distributed databases and ledgers protected against revision by publicly-verifiable open source cryptographic algorithms, and protected from data loss by distributed records sharing, colloquially called "blockchain", has reached a point where the opportunities for efficiency, cost savings, and cybersecurity deserve legislative study; and

WHEREAS, Blockchain technology is a promising way to facilitate a transition to more efficient government service delivery models and economies of scale, including facilitating safe, paperless transactions, and permanent recordkeeping immune to cyber-attacks, and data destruction; and

WHEREAS, Blockchain technology can reduce the prevalence of government's disparate, computer systems, databases, and custom-built software interfaces, reducing costs associated with maintenance and implementation and allowing more regions of the state to participate in electronic government services; and

WHEREAS, Nations and municipalities across the world are studying and implementing government reforms that bolster trust and reduce bureaucracy through verifiable open source
blockchain technology in a variety of use cases from medical records, land records, banking, and property auctions; and

WHEREAS, The State of Illinois, through the recently created Illinois Blockchain Initiative, has promoted a collaborative regulatory exchange with technology firms, software developers, and service providers, so that if regulation is needed, it will be the product of a collaborative and proactive approach, with the goal of encouraging economic development through innovation; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that there is created the Illinois Legislative Blockchain and Distributed Ledger Task Force to study how and if State, county, and municipal governments can benefit from a transition to a blockchain based system for recordkeeping and service delivery; and be it further

RESOLVED, That the Task Force will consist of the following members;

(1) two members appointed by the Speaker of the House, one who shall be designated as Co-Chairperson;

(2) two members appointed by the House Minority Leader;
two members appointed by the President of the Senate, one who shall be designated as Co-Chairperson;

(4) two members appointed by the Senate Minority Leader;

(5) one member appointed by the Cook County Recorder of Deeds;

(6) one member appointed by the Illinois Department of Financial and Professional Regulation;

(7) one member appointed by the state Division of Banking; and

(8) one member appointed by the Secretary of State; and

be it further

RESOLVED, That all appointments shall be confirmed by both Co-Chairpersons; and be it further

RESOLVED, That all appointments to the Task Force shall be made within 60 days after the adoption of this resolution; vacancies in the Task Force shall be filled by their respective appointing authorities within 30 days after the vacancy occurs;
RESOLVED, That the Task Force members shall serve without compensation; and be it further

RESOLVED, That the Task Force shall receive the assistance of legislative staff, may employ skilled experts with the approval of the Co-Chairpersons, and shall receive the cooperation of any State agencies it deems appropriate to assist the Task Force in carrying out its duties; and be it further

RESOLVED, That the members of the Task Force shall be considered members with voting rights; a quorum of the Task Force shall consist of a majority of the members; and be it further

RESOLVED, That the Task Force shall meet initially at the call of the Co-Chairpersons, no later than 90 days after the adoption of this resolution, and shall thereafter meet at the call of the Co-Chairpersons; and be it further

RESOLVED, That the General Assembly shall provide administrative and other support to the Task Force; and be it further
RESOLVED, That the Task Force shall research, analyze, and consider:

(1) Opportunities and risks associated with using blockchain and distributed ledger technology;

(2) Different types of blockchains, both public and private, and different consensus algorithms;

(3) Projects and use cases currently under development in other states and nations, and how those cases could be applied in Illinois;

(4) How current State laws can be modified to support secure, paperless recordkeeping;

(5) The State Public Key Infrastructure and digital signatures; and

(6) Official reports and recommendations from the Illinois Blockchain Initiative; and be it further

RESOLVED, That the Task Force shall present its findings and recommendations to the General Assembly in a report on or before January 1, 2018.