

MAR 01 2018

# SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A SUNRISE ANALYSIS OF THE  
REGULATION OF VIRTUAL CURRENCY BUSINESS ACTIVITIES.

1 WHEREAS, virtual currency is an electronic form of value  
2 that depends upon the market and is not backed by the federal  
3 government; and  
4

5 WHEREAS, consumer interest in virtual currency arises from  
6 its several advantages over real currencies; specifically,  
7 virtual currency is safer from computer hacking, often cheaper  
8 and faster, and has finality of payment; and  
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10 WHEREAS, virtual currencies serve legitimate purposes and  
11 can be purchased, sold, and exchanged with other types of  
12 virtual currencies or real currencies; and  
13

14 WHEREAS, in the absence of any overarching federal payments  
15 regulatory framework, some states are currently examining ways  
16 to regulate virtual currencies; and  
17

18 WHEREAS, the Uniform Law Commission has drafted a model  
19 act, as embodied in both S.B. No. 2129 and part I of H.B. No.  
20 2257 H.D. 1, introduced during the Regular Session of 2018, to  
21 harmonize state virtual currency laws to the extent possible;  
22 and  
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24 WHEREAS, the model act regulates only virtual currency  
25 business activity, which includes services for the exchange,  
26 transfer, and custody of virtual currencies by a customer-facing  
27 intermediary; and  
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29 WHEREAS, section 26H-6, Hawaii Revised Statutes, requires  
30 that:  
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32 New regulatory measures being considered for enactment  
33 that, if enacted, would subject unregulated



1 professions and vocations to licensing or other  
 2 regulatory controls shall be referred to the auditor  
 3 for analysis. Referral shall be by concurrent  
 4 resolution that identifies a specific legislative bill  
 5 to be analyzed . . .

6  
 7 now, therefore,  
 8

9 BE IT RESOLVED by the Senate of the Twenty-ninth  
 10 Legislature of the State of Hawaii, Regular Session of 2018, the  
 11 House of Representatives concurring, that the Auditor is  
 12 requested to conduct a sunrise analysis of the regulation of  
 13 virtual currency business activities as set forth in S.B.  
 14 No. 2129 and part I of H.B. No. 2257 H.D. 1, which were  
 15 introduced during the Regular Session of 2018; and  
 16

17 BE IT FURTHER RESOLVED that the Auditor is further  
 18 requested to submit a report of findings and recommendations,  
 19 including any proposed legislation, no later than twenty days  
 20 prior to the convening of the Regular Session of 2019; and  
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22 BE IT FURTHER RESOLVED that certified copies of this  
 23 Concurrent Resolution be transmitted to the Auditor and the  
 24 Director of Commerce and Consumer Affairs.  
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 26  
 27

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