STAND. COM. REP. NO. 1149

, 2023

Honolulu, Hawaii

MAR 03

RE: H.B. No. 1261

H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1261, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE DIGITAL CURRENCY LICENSURE,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Beginning January 1, 2024, establish a program for the licensure, regulation, and oversight of special purpose digital currency companies in the State; and
- (2) Allow any company participating in the Digital Currency Innovation Lab on June 30, 2023, to continue operations if a complete licensure application is submitted to the Division of Financial Institutions of the Department of Commerce and Consumer Affairs by March 1, 2024.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Hawaii Technology Development Corporation. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1261, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1261, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSOR 1149

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 1261 HD1	Committee Referral:	Dat	2/27/	23
☐ The committee is reconsidering its pre-	vious decision on the measure.			
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)	V			
2. KITAGAWA, Lisa (VC)	V			
3. AIU, Micah P.K.				
4. CHUN, Cory M.			A 155-4, 1-m Cam dan Communicates Windows (Allafabe et al.	4 (he >
5. COCHRAN, Elle				
6. GARRETT, Andrew Takuya				
7. KAHALOA, Kirstin				
8. KILA, Darius K. 9. KOBAYASHI, Bertrand				
9. KOBAYASHI, Bertrand 10. LAMOSAO, Rachele F.				
11. MORIKAWA, Dee				
12. NISHIMOTO, Scott Y.			<u> </u>	
13. POEPOE, Mahina				
14. TAKENOUCHI, Jenna		7		
15. ALCOS III, David				
16. WARD, Gene	· /	The second secon	Date: No. of the Art State of the State of t	
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TOTAL (16)	15	0	0	1
The recommendation is: Ado				· · · · · · · · · · · · · · · · · · ·
If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
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