



NEW YORK STATE SENATOR

Elaine Phillips

Senate Passes Senator Phillips' Bill To Create Commission To Study Cryptocurrencies

ELAINE PHILLIPS July 2, 2018

Senator Elaine Phillips announced that the New York State Senate recently passed her legislation to establish a commission to study how to regulate cryptocurrencies in New York State.

"New York is the world financial leader and it is important we keep adapting to new technologies in order to compete in our ever-changing economy," Senator Phillips said. "In the past few years, we've seen cryptocurrencies, such as Bitcoin, make their way into the New York digital economy and this commission will help us fully understand the implications of cryptocurrencies and blockchain technology."

The bill, S.9013/A.8783B, sponsored by Assemblyman Clyde Vanel in the Assembly, would establish a commission to study how to regulate cryptocurrencies in New York State

"Cryptocurrency and blockchain technology has evolved much over the past decade." Assemblyman Vanel said. "Since New York is the financial capital of the world, we must lead in financial technology innovation, attract and retain financial technology companies and jobs. While, at the same time, we must protect New York consumers and investors. In seeking the proper balance for the State cryptocurrency regulatory regime, it is important that we engage the experts, technologists, consumers and investors."

A cryptocurrency is a digital asset designed to work as a medium of exchange using cryptography to secure the transactions and to control the creation of additional units of the currency. Bitcoin, created in 2009, was the first decentralized cryptocurrency. The virtue and danger of cryptocurrency is its anonymity and decentralized model.

A growing number of merchants accept cryptocurrency as payment including Microsoft, Expedia.com, Dell, Overstock.com, Reddit, Subway and Bloomberg.com. Companies and investors are raising capital and funding through Initial Coin Offerings (ICO). Additionally, there are cryptocurrency ATMs across the state where New Yorkers are purchasing denominations of cryptocurrencies at conveniences stores and public places.

The measure has passed both the Senate and Assembly and is awaiting delivery to the Governor for approval.