

Governor's Commission on Cryptocurrencies and Digital Assets
Meeting Minutes for Approval by Commission
June 29, 2022 -- 10:30am to 12:30pm
Location: NH Department of Business and Economic Affairs

Chair:	William Ardinger
Members Attending:	William Ardinger (P), Rep. Keith Ammon, Sen. Gary Daniels (P), Angela Strozewski (P), David Araujo (P), Kevin Scura (P), Nick Slaney (P), Raeleen Blaisdell (P), Andrew Schwab (P), Craig Stevens
Members Absent:	Meltem Demirors
Others Attending:	The Commission was joined by numerous friends.
Date of last meeting:	6/8/2022
Agenda Item:	Key Points:
Welcome from the Chair to the Members of the Commission:	<ul style="list-style-type: none"> • The meeting was opened by William Ardinger, Chair of the Commission. • Commission meetings are subject to the NH Right to Know Law. Transparency is a priority of the Commission. Virtual attendance is permitted, but any meeting must have at least a quorum (7) of Members attending the meeting in person. • Commission’s goal is to come up with recommendations that consider factors like innovation, NH’s economic competitiveness, effects of technologies on financial system and individuals/consumers.
Discussion by Members: a. Process going forward, including public input. b. Preliminary discussion of possible policy ideas.	<ul style="list-style-type: none"> • Representative Keith Ammon: We can look to HB 1503 as foundation for future policy improvements; provide safe haven for consensus mechanism. (Proof of work needs to be protected.) Consider legal protection for self-hosted wallets; privacy coins. Remember core principle of personal freedom vs. centralized oversight and loss of privacy. • Nick Slaney: Self-custody and proofs of blockchain status are concrete things we can work on. NH could be safe haven for mining and investing in energy structure - put surplus energy to use. Reference to new product “Lightning” and challenging/unclear regulatory environment. Decentralized identity- Web 3/Web 5. Open source allows total transparency that neutral auditors can examine. • Bill Ardinger: Is there non-governmental developing quality assurance that can play a role in NH? An extension of the UNH Interoperability Lab. Auditing opportunities can draw folks to NH. Internet as model for self-regulation vs. government regulation. Can policies facilitate a balanced, robust, resilient answer that can be trusted? • David Araujo: Enhance NH state law that provides for acceptance of decentralized blockchain identity information. • Andrew Schwab: Need to prioritize list of options to identify those ideas with low risk and highest impact. Openness vs. secrecy. Incentives for competition to improve consumer protection. • Craig Stevens: Need a workable solution from public policy perspective.

Governor's Commission on Cryptocurrencies and Digital Assets
Meeting Minutes for Approval by Commission
June 29, 2022 -- 10:30am to 12:30pm
Location: NH Department of Business and Economic Affairs

	<p>Biggest challenge is transparency laws/regulations. Need to identify principles and then flesh out legislative language and/or additional context.</p> <ul style="list-style-type: none"> • Commissioner Galdieri: Proposing express definitions for important terms should be a priority for developing any regulatory solutions; previous law exempting true self-wallet transactions from money transmitter regulations; no position on mining activities yet, should NHDES be consulted? State solutions must comply with federal laws and regulations; when to impose reasonable regulations – “before a plane crash or after?” • Deputy Commissioner Blaisdell: Agrees with Mr. Schwab’s formulation of seeking low risk/high impact proposals. • Attorney Scura: Important to note other negative ways this technology has been used — money laundering, drug trafficking, ransomware attacks, fraud. Regulations should address those misuses. Also, should this new technology and related activities be incorporated into already existing laws? Regulations are only as good as the expertise of the personnel creating them. • Bill Ardinger: Need to have thoughtful, expert governmental oversight. Have to depend on dispute resolution process. Perhaps there should be some formal confirmation that NH banking laws are sufficient to authorize regulated institutions that are chartered in NH to conduct activities with respect to digital currencies; in NH, most “intermediary” organizations are exempt from NH BPT and BET. • Angela Strozewski: Focus on consumer protections and education; need to consider unintended consequences and impact on NH. • Senator Gary Daniels: As a legislator, it is important to first identify exactly what problem we are trying to solve; then, craft policy proposals that are directly designed to address that problem; can the current system address the problem? • Bill Ardinger: Noted his view is that the problem is that current laws/regulatory structure at state and federal levels are not clear about what how they apply to these technologies. • Kevin Scura: Creating blockchain dispute process will aid not only consumer protection but also economic development. • Andrew Schwab: Emphasize accessibility to definitions and importance of clear and direct language. • Nick Slaney: Commission should be focused on unblocking new, open source systems. • Eric Forcier: Concerned about consumer protection. Traditional securities regulatory function seeks to provide protections against fraudulent activities, while encouraging innovation. • Representative Keith Ammon: NH could have a role in making decisions that nudge NH toward more freedom, while still protecting consumers. Educating regulators is very important.
Any Other Business:	Bill Ardinger noted that he hoped to invite Molly White to present at the Commission’s next meeting.

Governor's Commission on Cryptocurrencies and Digital Assets
Meeting Minutes for Approval by Commission
June 29, 2022 -- 10:30am to 12:30pm
Location: NH Department of Business and Economic Affairs