



May 4, 2022

S8343: Ensures New Yorkers Benefit from Benefits of Cryptocurrency

Majority Leader Andrea Stewart-Cousins
New York State Senate

Dear Majority Leader Stewart-Cousins:

As a tech industry association devoted to a progressive future, Chamber of Progress **supports the passage of S8343**, which proposes to establish a task force to examine the effects of the widespread use of cryptocurrencies and other forms of digital assets.

Blockchain Innovation Promotes New York State's Competitiveness

New York is arguably the financial capital of the world, and it is only fitting that its state government should play a leading role in defining cryptocurrency regulation. Under this bill, the state of New York would echo the approach that President Biden took in his March 2022 Executive Order on Ensuring Responsible Development of Digital Assets – including identifying the potential benefits and risks of cryptocurrencies. New York's future leadership in the financial space depends on the state building a healthy regulatory environment for crypto.

Cryptocurrency Can Put More Power in Individuals' Hands

Between mining, peer-to-peer (P2P) transactions, and consumer purchases, cryptocurrency has made inroads into the state of New York in the past decade. Decentralized currency networks like Bitcoin and Ethereum have created opportunities to close the financial services gap amongst under-banked and unbanked individuals in some of the state's most marginalized communities. From something as simple as paying a bill to sending remittances abroad, cryptocurrency has made strides in creating financial inclusion for everyone.

Thoughtful Regulation Generates Business Opportunity

With unclear regulatory standards due to the unprecedented model of a decentralized financial market, blockchain-based businesses face the challenge of reconciling their business strategies with the appropriate guidance needed from the government in order to comfortably thrive and grow. The adoption of the task force is a step in the right direction for the state to conduct research, review existing regulations and suggest additional legislation to support an industry that is one of the fastest growing in the state.

New York City [recently attracted](#) \$6.5B in financing for crypto-backed startups. Additionally, an examination of the types of investment entities involved in digital currency trading should also recommend appropriate safeguards to ensure consumer protection.. Thoughtful policy proposals and regulation resulting from the findings of the task force will attract business opportunities and continue the momentum of cryptocurrency and blockchain jobs coming to the state of New York.

We urge the Senate to pass S8343. Thank you for your leadership in promoting responsible policymaking for digital assets. This bill will help ensure American consumers, businesses, and the broader economy will thrive in the emerging digital asset economy.

Sincerely,

A handwritten signature in black ink, appearing to read 'JE' or similar initials, written in a cursive style.

Janay Eyo
Director, Financial Policy
Chamber of Progress