



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 19-1247**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated March 27, 2019)

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<b>Drafting Number:</b>	LLS 19-0798	<b>Date:</b>	April 17, 2019
<b>Prime Sponsors:</b>	Rep. Valdez D.; Catlin Sen. Donovan; Coram	<b>Bill Status:</b>	Senate Agriculture
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**Bill Topic:** STUDY AGRICULTURAL APPLICATIONS FOR BLOCKCHAIN

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>conditional</i> )	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

If sufficient gifts, grants, or donations are received, the bill authorizes the Commissioner of Agriculture to appoint and convene an advisory group to study potential applications for blockchain technology in agricultural operations during FY 2019-20.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The revised fiscal note reflects the reengrossed bill.

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## Summary of Legislation

If sufficient gifts, grants, or donations are received, the bill authorizes the Commissioner of Agriculture to appoint and convene an advisory group to study potential applications for blockchain technology in agricultural operations. The advisory group consists of the commissioner or her designee, one or more members of the Colorado Council for the Advancement of Blockchain Technology in the Office of Economic Development, and representatives from the agricultural and environmental communities.

If the advisory group is convened, the commissioner or her designee is required to present a summary of the group's findings and possible legislation to the General Assembly on or before January 15, 2020. The advisory group is repealed July 1, 2020.

## Background

Blockchain is the technology underlying cryptocurrency that can be used as a distributed ledger. Each block contains a cryptographic hash that links to the previous block, its own hash, a date and time stamp, and transaction data. Transactions using blockchain are considered secure and made with decentralized peer-to-peer technology rather than going through a centralized third party.

## **State Expenditures**

The Department of Agriculture has the legal authority to expend gifts, grants, and donations received for the study. If the commissioner determines that sufficient funding is received, she will appoint and convene the advisory group and conduct the study.

## **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Agriculture                      Economic Development