# Blockchain Working Group Meeting
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# Privacy and Ethical Considerations

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# QUESTION 1

- There is lack of cohesion between jurisdictions, both federal and state
  - Will CA consider mirroring NY?
  - Look to definitions in other states, such as NY – NY AB1398, SB6037. Passed NY Senate 6/17/19
- Consider privacy protection – federal vs. state
  - Federal: there is protection for govt. intrusion of privacy
  - State: CCPA – are the deterrents sufficient?
- In the context of state legislation consider access mechanisms (key mgmt.)

# QUESTION 2

- Consider following issues for permissionless vs. permissioned chains:

  - Conflicts of interest

  - Bias

  - Confidentiality, privacy and trust

  - Accountability and other ethical considerations

# QUESTION 3

- Consider following issues for permissionless vs. permissioned chains:

  - Decentralization
  - Immutability
  - Security
  - Privacy
  - Speed
  - Scalability
  - Interoperability
  - Sustainability
  - Finality

# QUESTION 4

- Path forward for blockchain implementation in California:
  - Renewal of legislation
  - Proposed framework:
    - Prioritize problems to focus on for which blockchain has a useful application and solution
    - Define the use cases that will be pursued
    - Define concrete, near term pilots/POCs/Sandbox, bringing together allies, partners both in industry and tech – depending on the pilot/POC/Sandbox, consider whether you will make this implementation more permissive from a legal perspective (e.g. lower tax rate for blockchain networks)
    - Agree on standards and best practices in the implementations
    - Demonstrate success in these use cases
    - Determine what next steps ensue after success is established through pilots and POCs
    - Re-align with allies and partners, and identify new partners, both industry and tech
    - See if you can interoperate with other chains
    - Repeat process to take implementation further and amplify adoption