

**By Filecoin Foundation  
Teaching Legal Fellow  
Charles Belle**

October 9, 2024

**T H E   B L O C K C H A I N  
L E G I S L A T I O N   D E F I N I T I O N  
( B L D )   P R O J E C T   R E P O R T**



**UNIVERSITY OF  
SAN FRANCISCO**

Center for Law, Tech,  
and Social Good

## EXECUTIVE SUMMARY

A research project of the [Center for Law, Tech, and Social Good](#), the Blockchain Legislative Definitions (BLD) Project is a repository of legal definitions used by state authorities. Unlike a regulatory tracker of proposed legislation to regulate blockchain or cryptocurrency, BLD focuses on language definitions in legislation. Tracking legislation by itself is not enough if the language used in individual pieces of legislation is disjointed. By surfacing fragmented terminology, this repository provides a valuable resource for policymakers and academic researchers seeking insights into the evolving regulatory landscape surrounding blockchain and cryptocurrency technologies. By standardizing legislative language, the BLD contributes to more effective lawmaking.

The lack of standardized language in blockchain related laws underscores the challenges in understanding the full scope of relevant laws. The research process shed light on the challenge of fragmented data, data formats, and published materials. Difficulties included fragmented language, sparse legislation, ambiguity around new concepts, and information behind a paywall. These challenges, however, reinforce the BLD's repository as an accessible knowledge hub.

This repository provides a robust compilation of legislative information spanning various domains that includes finance, tax, privacy, and more. For government agencies and policymakers, the repository is a training tool. Users can analyze regulatory trends, identify gaps, and propose data-driven policy recommendations. It enables a deeper understanding of existing regulations, potential impacts, and best practices from other jurisdictions.

Going forward, the Center plans to expand and refine the BLD repository. The goal is to advance knowledge sharing, fuel thoughtful discourse, and shape a robust regulatory framework that unlocks the transformative potential of blockchain technology for social good. The Center is excited to incorporate these learnings into the [Center's Government Trainings](#).

## PURPOSE & SCOPE

The Center's mission is to pioneer the integration of legal education with emerging technologies to advance the social good. Through innovative education, rigorous research, and collaborative projects, the Center aims to tackle the foremost legal challenges presented by the digital era. Reducing the friction caused by fragmented legislative terms benefits government, society, and private industry. Policymakers learn from each other and promulgate better rules. Private industry benefits from a level playing field and reduced costs of compliance. And individuals can explore innovative new projects with the confidence that comes from a stable regulatory framework.

The first study was conducted from May 2023 to August 2023 and updated in September 2024. The geographic focus of the study was the United States. Other regions, such as the European Union's Markets in Crypto-Assets Regulation (MiCA), are outside the scope of this study.

## INSIGHTS

### Data exists but is inaccessible

There are few databases dedicated to track blockchain legislation. Among those surveyed, 18 were identified as useful. The 18 sources include a diverse range of official government websites, media companies, and legal research platforms. Each source contributed valuable data on blockchain legislation, allowing for a comprehensive understanding of the regulatory landscape. Nonetheless, of the 18 sources, only three databases aligned with BLD's comprehensive repository objective. The scarcity of applicable resources reflects challenges of assembling an all-encompassing database pulling from existing sources—and justifies the design of the BLD.



## INSIGHTS CONTINUED

### Legislative activity varied in quantity and application

*Legislative activity is not equal among states*

Legislative activity was led by a few states—California and New York, as to be expected, and also Wyoming. Some states had little to no activity.

*Legislative activity often varied across industries*

Legislative activity was not localized to a particular topic area, such as money transmission licensing. Rather, states have enacted laws in areas that range from taxes to health law. Such a wide range of industries is a testament to the wide impact of blockchain technology.

### Evolving Landscape

The regulatory terrain is in a perpetual state of flux. Organizations and individuals must navigate novel compliance requirements as legislation undergoes refinement, updates, and sometimes outright replacement. A dynamic regulatory landscape leads to significant disparities among states in their responses to such shifts, further exacerbating the complexities involved. Vigilant monitoring and proactive adaptation are necessary to ensure that organizations and individuals adhere to operational compliance standards.

### Regulatory Complexity

The lack of a central resource emphasizes the challenges in developing a comprehensive understanding of blockchain related legislation. This makes it difficult for legal professionals to access information easily and might make ongoing regulations more challenging. The research emphasized the complex and disjointed state of blockchain and cryptocurrency regulation in the US.

## RECOMMENDATIONS

### Repository Accuracy and Utility

- Update the repository with changes in blockchain and crypto regulations on a scheduled basis.
- Acquire access to paywall resources through collaboration with industry partners and policymakers. Additional resources increase access to information, and provide more clarity on existing rules and identify gaps.

### Tracking Proposed Bills for terms

- Ongoing tracking of proposed bills with a focus on terms used in each state to serve as a valuable resource.
- Proposed bills offer valuable insights into potential nationwide regulatory shifts.
- Engage with industry representatives and policymakers to assess proposed bills and their potential impact.
- Share insights gathered from tracking bills to facilitate informed discussions and gather feedback on their potential influence on nationwide regulatory shifts.

### Fact-Checking Mechanism

- To maintain data integrity, implement a robust fact-checking mechanism—verifying sources and cross-referencing legal repositories—to protect the reliability of the repository.
- For example: Statescape offers tools for legislative monitoring. Consider partnering with them to access their API.

### Global Perspectives

- Expand the repository's scope to encompass international regulations. Comparative knowledge can help those seeking to advocate for regulatory approaches proven successful in other parts of the world.



- Collaborate with legal experts to analyze approaches to blockchain regulations and share comparative analysis.

### User Feedback Mechanisms

- Establish a user feedback mechanism that empowers users to contribute valuable suggestions, enabling interactive repository refinement.
- An example includes a legal data jam that can be conducted by the Center where legal professionals from across different industries and levels, including law students, legal experts, industry representatives, and policymakers, can come together to offer insights and suggestions regarding the usability and relevance of the repository.

## RESOURCES

### Blockchain Repository

The repository is a comprehensive compilation of relevant blockchain laws and regulations from 18 independent research sources. This repository encompasses laws at both federal and state laws, offering a centralized repository of legislative information. The repository only includes information during the time of the survey: May 2023 to August 2023. Legislation after September 2024 may not be included.

To view the data, please click here: [Legislation Database](#)

## METHODOLOGY

This research endeavor culminated in a repository of blockchain legislation within the United States. The investigative focus sought to collect any law pertaining to blockchain and cryptocurrencies. The research scope was not limited to specific legal regimes (e.g., only financial laws). The first step was a Google search for blockchain legislation databases and aggregators. A targeted search sought to identify information sources that included academic centers, non-profit organizations, private industry, studies, and reports. Search results were reviewed to identify credible sources that provided sufficient data. This process yielded 18 sources that offered substantial data. Inclusion criteria mandated sources provide a clear basis for information extraction, while encompassing various legal areas.

### Challenges

Several challenges emerged collecting data. Each challenge, however, provided valuable learning points, and shed light on the intricacies of compiling a comprehensive repository of blockchain legislation in the United States.

#### *Fragmented Language and Clear Definitions*

The regulatory landscape for blockchain technology and cryptocurrencies is spread across federal, state, and local jurisdictions. This required navigating through various legislative bodies to find information. In addition, different jurisdictions may have used definitions with slight differences. The definitional discrepancies added complexity to generating a complete understanding across jurisdictions.

Source	Summary	Coverage	Link	Missing	Tags	Blockchain/ Crypto	Entity Published	Type of Entity	Group
Summa Gov	Search website for legislation, insights and analysis on the regulations.	become law (113 under blockchain)	<a href="https://www.summagov.com/blockchain-laws-and-regulations/">https://www.summagov.com/blockchain-laws-and-regulations/</a>	amount of recent blockchain and the book is limited to legislation/ most recent	Blockchain, Blockchain, Tax, Both	Blockchain	Compassa.gov	U.S. federal	Entity
State Legislatures - LegiScan	related to blockchain in the US material by state in blockchain	outlining legislation in all 50 states	<a href="https://www.ncsl.org/ncsl-search-https://legiscan.com/qalts/search?state=C&amp;A&amp;https://research.cointelegraph.com/reports/del-ny-laws-and-regulations-by-state#alabama">https://www.ncsl.org/ncsl-search-https://legiscan.com/qalts/search?state=C&amp;A&amp;https://research.cointelegraph.com/reports/del-ny-laws-and-regulations-by-state#alabama</a>	Legislation only covers 28 each state to 2023	Services, Smart Association, Regulation, Digital Assets, Tax	Blockchain, Blockchain, Both	Conference of LegiScan	organization that provides legislative media resource.	Entity
Bloomberg Law	Regulations by State proposals and IRS guidance blockchain education, policy, firms.	regulation around virtual currency, have been introduced by the Biden updated frequently but no real globally.	<a href="https://www.bloomberglaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.bloomberglaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>	only money transmitter rules. that was actually passed method. The blogs update	Regulation, Digital Assets, Tax	Crypto (mostly)	Bloomberg Law	operated by a law and advocacy	Company
Freeman Law	regulations by country.	country. Seems to stop at 2021 but specifically for cryptocurrency.	<a href="https://www.freemanlaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.freemanlaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>	regulations that govern the states. Covers California, other years besides 2023.	Digital CURRENCY	Crypto	Freeman Law	of Texas.	Legal Firm
Scott Hughes Law	regulations and enforcement in the US in 2023.	very limited in scope.	<a href="https://www.scothugheslaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.scothugheslaw.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>	regulations that govern the states. Covers California, other years besides 2023.	Securities, Digital Assets, Cryptocurrency.	Both	Review	Western State	Legal Firm
Legamart	Legislation database.	blockchain and 2 for crypto.	<a href="https://www.legamart.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.legamart.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>	information. Information is not comprehensive of all regarding actual legislation.	Both	Both	Legamart	that provides articles	Entity
Assembley Medium	platform.	across the globe. Information is not Minnesota, and Delaware. Also, the cryptocurrency activity across the	<a href="https://www.assembleymedium.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.assembleymedium.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>		Cryptocurrency, Regulation, Crypto	Both	Medium	Publication platform	Company
Cryptopedia by Gemini	regulations excluding NY and in 45 countries - regulated		<a href="https://www.cryptopedia.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.cryptopedia.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>		Regulation, Crypto	Crypto	Gemini	platform that organization	Company
Atlantic Capital			<a href="https://www.atlanticcapital.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/">https://www.atlanticcapital.com/insights/cryptocurrency-essentials/global-transmission-laws-state-by-state/</a>		Laundrying, Crypto	Crypto	Atlantic Council		Services



### *Sparse Crypto-specific Legislation*

Blockchain and cryptocurrencies specific legislation is scarce. Rules are often embedded within broader laws. This made the extracting of pertinent information very challenging. For example, many states made changes to the Uniform Money Services Act. These changes ranged from clarifying a definition like “money transmission” to more substantive changes of adding cryptocurrency to their framework.

### *Ambiguity and Rapid Changes*

Blockchain technology is not stable; the technology is in a state of rapid change. In parallel, laws related to blockchain technology, especially cryptocurrency laws, are often evolving, albeit at a slower pace. For example, in recent years, Wyoming has been at the forefront of blockchain legislation, aiming to create a blockchain-friendly environment. Specific rules and regulations, however, have gone through several revisions. Legislators in Wyoming were uncertain about how digital assets like cryptocurrencies should be categorized and taxed. The state had to refine its laws over time to provide more clarity and accommodate the evolving blockchain landscape.

### *Navigating Varying Data Formats*

The sources yielded data in various formats. Collating and synthesizing data from diverse sources with varying formats posed challenges in terms of standardization and comparison. A single cryptocurrency regulation, for example, may have an official bill text on the state legislature website, a legal analysis from a law firm, and an industry report discussing the potential impact.

### *Inaccessible Information and Paywalled Research*

It is challenging to collect current and comprehensive information from blogs, academic websites, and some legislative websites. Information may exist behind paywalls or require navigating complex legislative websites. This makes extracting information time-consuming. Information behind an inaccessible paywall was not included in the BLD repository.

### **Excluded Data**

Some information and sources were excluded. Exclusion criteria were formulated to ensure accuracy, coherence, and focus on pertinent regulatory aspects.

#### *Education focus*

Sources were excluded because the material was not suitable for the project’s objectives. The information provided sought to educate about crypto/blockchain rather than providing legislative data.

#### *Proposed but Unenacted Bills*

Bills related to blockchain and cryptocurrencies that had been proposed but yet signed into law at the time of this research.

#### *Outdated or Irrelevant Information*

Any outdated laws and regulations no longer in effect or superseded by newer legislation.



## DEFINITIONS

Data to Collect	Search Words
<ul style="list-style-type: none"> <li>• Name of Bill/ Legislation</li> <li>• Jurisdiction</li> <li>• Code/Statute</li> <li>• Effective Date</li> <li>• Abstract/Summary</li> <li>• Tags</li> <li>• Related Links</li> </ul>	<ul style="list-style-type: none"> <li>• Blockchain</li> <li>• Cryptocurrency</li> <li>• Smart Contracts</li> <li>• Virtual Currency</li> <li>• Digital Currency</li> <li>• Non-Fungible Token</li> <li>• Web3</li> <li>• Tax</li> <li>• Decentralized Finance</li> <li>• Securities</li> <li>• Intellectual Property</li> <li>• On-Chain</li> <li>• Artificial Intelligence</li> <li>• Regulation</li> </ul>

### *Tag Selection*

Tag selection sought to mirror the legislative landscape by integrating familiar wording, industry focus, and legislative categories. Chosen tags were rooted in the wording extracted from legislative texts. Tags were also assigned based on the industries or sectors targeted by the legislation; tags were also associated with the broader categories to which a piece of legislation pertains.

<ul style="list-style-type: none"> <li>• Money Transmission</li> <li>• Finance</li> <li>• Regulation</li> <li>• Distributed Ledger</li> <li>• Blockchain</li> <li>• Finance</li> <li>• Work Group</li> <li>• Virtual Currency</li> <li>• Security</li> <li>• Privacy</li> <li>• Health</li> <li>• Corporation</li> <li>• Energy</li> <li>• Cryptocurrency</li> <li>• Mining</li> </ul>	<ul style="list-style-type: none"> <li>• Token</li> <li>• Digital Asset</li> <li>• Electronic Network</li> <li>• Education</li> <li>• Property</li> <li>• Tax</li> <li>• Cybersecurity</li> <li>• Government</li> <li>• Electronic Record</li> <li>• Smart Contract</li> <li>• License</li> </ul>
--	---



# CONCLUSION

The BLD Project provides invaluable insights into the evolving landscape of blockchain legislation. It furnishes educators with a potent tool to facilitate engagement in discourses and policies that contribute to the growth and influence of this transformative technology. The BRD Project underscores the challenges inherent in keeping pace with the ever-shifting regulatory paradigm within the Web3 sphere. More than data collection, however, the BLD Project seeks to enhance knowledge and cultivate a practical understanding of the journey towards robust blockchain laws. The aim is to provide policymakers with a trusted resource to well-informed policy conversations.

Thank you for supporting this project. Without you, we cannot keep the BRD Project updated and educate policymakers. Donate here.

## FUNDING

This research did not receive any specific grant from funding entities, public entities, commercial, or not-for-profit entities.

## AUTHORS

### Filecoin Foundation Teaching Legal Fellow Charles Belle

Charles Belle is the Filecoin Foundation for Decentralized Web's Teaching Fellow at the Blockchain Law for Social Good Center (Center), at the University of San Francisco School of Law. His research is in decentralized governance and he teaches a course on DeFi (DeFi: Decentralized Finance Law). He is also a non-residential Fellow at Stanford University's Center for Internet and Society (CIS).

Email: [cebelle@usfca.edu](mailto:cebelle@usfca.edu)

Website: <https://www.usfca.edu/law/faculty/charles-belle>

### Jada Smith

Jada Smith is a Turkish native and recent law school graduate of the University of San Francisco School of Law (USF). Jada holds a BA from Hastings College studying business and sociology and received her Juris Doctorate in May 2024.

## ACKNOWLEDGEMENTS

Contributors and Reviewers: Karissa Gingerich and Kaitlyn Chambers

Additional Contributors: Chika Amene, Erika Buenrostro, Nathan Candler, Tiffany Chu, Nanaki Dhesi, Blake Engleman, Erik Gyving, Lawrence Hunton, Shahe Kazazian, Allison Lovo, Aram Manoukian, Joel McNamara, Christopher Molokwu, Moneer Mujaddidi, Uche Nwokike, Fabiola Pardo Garcia, Abigail Tesfaye, Matt Zampa

