

Chairman Claggett, Vice Chair Workman, and Ranking Member **Mohamed**. My name is Andrew Burchwell, I am the Executive Director of the Ohio Blockchain Council, a non-profit trade association dedicated to ensuring that Ohio remains at the forefront of innovation through the development and adoption of blockchain technologies, digital assets, and digital asset mining. Our members include a variety of organizations including digital asset exchanges, digital asset miners, software companies, energy development companies, and university partners who recognize Ohio as a state with the potential to be a leader in these technologies.

I am here today once again in support of HB 18, largely because my belief is that now is also the time for Ohio to clarify its position as a leader in blockchain technology and digital assets. Ohio is already home to several industry-leading startups, public companies, and university departments that are developing these technologies and the workforce of tomorrow through software and hardware advancements, and it is my belief that further clarification of the law through HB 18 will increase the confidence that this industry has in Ohio as a place to build.

I come before the committee today to make an impassioned plea, that we recognize the moment we are in globally and we make the choice, together, as citizens and stakeholders of this great State of Ohio, to participate meaningfully in this upgrade to our legacy financial system. We are not here today to encourage experimental or untested technology; we are here to recognize that this particular asset class has been around for 16 years and shows a strong historical footing and is recognized by major governments and institutions alike as having tremendous future promise.

Only cryptocurrencies with an average market capitalization of at least \$750 billion are eligible for investment, a safeguard designed to restrict holdings to relatively stable, high-profile digital assets, namely Bitcoin, under current market conditions. This requirement reflects an effort to balance Ohio's cryptocurrency ambitions with prudent investment standards.

Bitcoin, referred to as "digital gold" by the United States Treasury, has become a recognized asset in the financial markets. Besides exchange holdings and individual holdings, multiple publicly listed SEC-regulated Bitcoin ETFs are now traded on U.S. stock exchanges. Like gold, which has long served as a financial safeguard, Bitcoin offers unique advantages in the digital era due to its limited supply and decentralized nature, making it a critical asset for the future. This move will modernize state investments and prepare Ohio for the next financial frontier.

The US government is already the largest government holder of Bitcoin in the world. 32 American public companies, representing a combined market capitalization of \$1.26 trillion already hold Bitcoin as a treasury asset. Other US states including Arizona and New Hampshire, with Texas close behind, have already adopted similar legislation as 36 states have introduced pro-digital asset legislation. Estimates are that 10-15% of Americans now own Bitcoin, making the US a leader in individual adoption globally.

States adopting Bitcoin reserves position themselves as forward-thinking hubs for blockchain and cryptocurrency industries. This could attract businesses, startups, and talent in the crypto sector, boosting local economies.

The United States owes much of its success to a willingness to pioneer new technologies. Throughout its history, waves of innovation have ensured America's economic dominance, from the advent of electricity to the internet, and beyond. Today, once again, the US stands at the forefront of a new technologic frontier, one that deeply aligns with American values of individual rights, free markets, and innovation.

HB 18 protects the development of the infrastructure that underlies the ability for the Bitcoin network to perform its function as both a store of value and a medium of exchange. Commonly referred to as 'Bitcoin mining', the data centers being developed right here in Ohio are critical to the success of the Bitcoin network. HB 18 clarifies definitions that update our code of law to incorporate technologies of the future and remain a place where innovation can thrive. Clarifying the rules surrounding tax payments, money transmittance licensing, and jurisdictional zoning laws are all necessary to signal to the global economy that Ohio is open for business, and that there is no risk of undue or unjust rulemaking against the developments this industry seeks to provide within the State of Ohio.

I want to thank the members for your time, and I strongly encourage the adoption of this legislation to ensure Ohio remains a leader in digital innovation now and into the future. Thank you for allowing me to testify today. I am happy to answer any questions.