



Ohio Senate Financial Institutions and Technology Committee

House Bill 177 – Proponent Written Testimony County Commissioners Association of Ohio, Ohio Municipal League and Ohio Township Association

September 28, 2021

Chairman Wilson, Vice Chair Hottinger, Ranking Member Maharath and members of the Senate Financial Institutions and Technology Committee, on behalf of our members, we write to offer our support for House Bill 177, which would allow governmental entities to use distributed ledger technology, including blockchain technology.

While blockchain technology is still a relatively new concept for local governments, we see the value in establishing a system for its development. HB 177 builds upon the framework for the use of this technology set in SB 220 of the 132nd General Assembly. SB 220 amended the Uniform Electronic Transactions Act to permit transactions recorded by blockchain technology in the private sector and put Ohio ahead of the curve in utilizing this innovative technology.

HB 177 provides Ohio governmental entities the opportunity to utilize this technology, which has proven effective in the private sector. Blockchain can be used to enhance cybersecurity and data protection, streamline processes and better ensure data integrity. This could save local governments time and resources that could be directed towards more pressing, daily resident needs.

It is important to note that HB 177 is entirely permissive legislation. The bill simply gives discretion to local governments to use this technology if it fits their needs.

As technology continues to develop and allow for even more government functions to be conducted online, HB 177 lays the groundwork for the implementation of blockchain technology at the local level. We appreciate the sponsors' forward thinking by including local governments in this legislation.

The County Commissioners Association of Ohio, the Ohio Municipal League and the Ohio Township Association support the concepts and goals included in HB 177 and encourage its favorable passage.

Thank you for consideration of our position. If you have any questions about our position, please do not hesitate to contact us.