



Meeting Agenda
Florida Blockchain Task Force
September 23, 2019
1:00 p.m. – 3:00 p.m.



110 Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399-1100

- I. Comments from Chief Financial Officer Jimmy Patronis
- II. Member Introductions
- III. Presentation: Overview of Chapter 2019-140, Laws of Florida
- IV. Consideration and Adoption of Task Force Bylaws
- V. Election of Task Force Chair and Vice Chair
- VI. Presentation: Government in the Sunshine Training
- VII. Review Proposed Schedule
- VIII. Open Discussion
- IX. Other Business & Public Testimony
- X. Adjourn

For information regarding this meeting, please contact Meredith Stanfield with the Department of Financial Services at (850) 413-2890 or Meredith.Stanfield@MyFloridaCFO.com.

Visit the Florida Blockchain Task Force website [here](#).



Florida Blockchain Task Force Enabling Legislation

Chapter 2019-140, Laws of Florida





HB 1393

- HB 1393 (signed into law as Chapter 2019-140, Laws of Florida) was the 2019 Department of Financial Services agency bill.
- Among other provisions, the bill established the Florida Blockchain Task Force within the Department of Financial Services.
- The Department of Financial Services shall provide support staff for the task force and any relevant studies, data, and materials in its possession to assist the task force in the performance of its duties.



Task Force Membership

- Three agency heads or executive directors of cabinet agencies, or their designees, appointed by the Governor.
- Four members of the public or private sector with knowledge and experience in blockchain technology, appointed by the Governor.
- Three members from the public or private sector with knowledge and experience in blockchain technology, appointed by the Chief Financial Officer.
- One member from the private sector with knowledge and experience in blockchain technology, appointed by the President of the Senate.
- One member from the private sector with knowledge and experience in blockchain technology, appointed by the Speaker of the House of Representatives.
- One certified public accountant licensed pursuant to Chapter 473, F.S., with knowledge



Task Force Goals

- Developing a **master plan** for fostering expansion of blockchain in Florida
- Recommending **policies and state investments** to make Florida a leader in blockchain technology
- Issuing a **report** to the Governor and Legislature



Master Plan

- Identify economic growth and development opportunities
- Assess existing blockchain industry in Florida
- Identify successful blockchain applications currently used to determine viability for state use
- Review workforce needs and academic programs needed to build expertise
- Make recommendations that will promote and expedite blockchain expansion and remove barriers to use



Items to Study

- Opportunities and risks associated with using blockchain and distributed ledger technology for state and local governments.
- Different types of blockchains, both public and private, and different consensus algorithms.
- Projects and cases currently under development in other states and local governments, and how these cases could be applied in this state.
- Ways the Legislature can modify general law to support secure paperless recordkeeping, increase cybersecurity, improve interactions with citizens, and encourage blockchain innovation for businesses in the state.



Items to Study

- Identifying potential economic incentives for companies investing in blockchain technologies in collaboration with the state.
- Recommending projects for potential blockchain solutions, including, but not limited to, use cases for state agencies that would improve services for citizens or businesses.
- Identifying the technical skills necessary to develop blockchain technology and ensuring that instruction in such skills is available at secondary and postsecondary educational institutions in this state.



Timelines

- HB 1393 signed into law: June 25, 2019
- First meeting within 90 days of effective date:
Within 90 days after the effective date of this act, a majority of the members of the task force must be appointed and the task force shall hold its first meeting.
- Report Submission within 180 days of initial meeting:
The task force shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives and present its findings to the appropriate legislative committees in each house of the Legislature within 180 days after the initial meeting of the task force.
- Task Force Termination:
Upon submission of the report and presentation of the findings.



Final Report

- General description of costs and benefits of government utilization of blockchain
- Recommendations regarding feasibility or implementing and best approach to financing implementation costs
- Recommendations for specific implementations by relevant state agencies
- Draft legislation appropriate or needed to implement
- Identification of one pilot project to be implemented
- Other information deemed relevant

Questions?



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Florida Blockchain Task Force

PROPOSED BYLAWS

ARTICLE I. NAME

The name of this task force shall be the Florida Blockchain Task Force (task force).

ARTICLE II. PURPOSE

The Florida Blockchain Task Force, a task force as defined in section 20.03, Florida Statutes, is established within the Department of Financial Services to explore and develop a master plan for fostering the expansion of the blockchain industry in the state, to recommend policies and state investments to help make this state a leader in blockchain technology, and to issue a report to the Governor and the Legislature. The task force shall study if and how state, county, and municipal governments can benefit from a transition to a blockchain-based system for recordkeeping, data security, financial transactions, and service delivery and identify ways to improve government interaction with businesses and the public.

The master plan shall:

1. Identify the economic growth and development opportunities presented by blockchain technology.
2. Assess the existing blockchain industry in the state.
3. Identify innovative and successful blockchain applications currently used by industry and other governments to determine viability for state applications.
4. Review workforce needs and academic programs required to build blockchain technology expertise across all relevant industries.
5. Make recommendations to the Governor and the Legislature that will promote innovation and economic growth by reducing barriers to and expedite the expansion of the state's blockchain industry.

The task force shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives and present its findings to the appropriate legislative committees in each house of the Legislature within 180 days after the initial meeting of the task force. The report must include:

1. A general description of the costs and benefits of state and local government agencies using blockchain technology.
2. Recommendations concerning the feasibility of implementing blockchain technology in the state and the best approach to finance the cost of implementation.
3. Recommendations for specific implementations to be developed by relevant state agencies.
4. Any draft legislation the task force deems appropriate to implement such blockchain technologies.

5. Identification of one pilot project that may be implemented in the state.
6. Any other information deemed relevant by the task force.

The responsibilities and duties of the task force will be in accordance with Florida Statutes.

ARTICLE III. MEMBERSHIP OF THE FLORIDA BLOCKCHAIN TASK FORCE

Section 1. – Membership

The task force shall consist of thirteen (13) total members, as follows:

1. Three agency heads or executive directors of cabinet agencies, or their designees, appointed by the Governor.
2. Four members of the public or private sector with knowledge and experience in blockchain technology, appointed by the Governor.
3. Three members from the public or private sector with knowledge and experience in blockchain technology, appointed by the Chief Financial Officer.
4. One member from the private sector with knowledge and experience in blockchain technology, appointed by the President of the Senate.
5. One member from the private sector with knowledge and experience in blockchain technology, appointed by the Speaker of the House of Representatives.
6. One certified public accountant licensed pursuant to Chapter 473 with knowledge and experience in blockchain technology, appointed by the Governor.

The 13 task force members shall be the only official voting members of the task force.

Section 2. – Term of Membership

The following shall govern the membership of the task force:

- A. Members of the task force shall serve for the duration of the existence of the task force.
- B. Members of the task force shall attend meetings on a regular basis. A member will be removed from membership after three (3) consecutive or four (4) total absences in one calendar year from properly noticed meetings.
- C. Any member may resign by filing a written resignation addressed to the Chair of the task force.
- D. Any vacancy that occurs shall be filled in the same manner as the original appointment.

Section 3. – Training

Each new member shall receive training from appropriate staff on the task force mission and purpose, Sunshine Law (Chapter 286, Florida Statutes), and Public Records Law (Chapter 119, Florida Statutes).

ARTICLE IV. OFFICERS

Section 1. – Officers of the Task Force

- A. Officers of this task force shall consist of a Chair and Vice Chair.

- B. At the first task force meeting, it shall be the duty of the task force members to nominate a candidate for the office of Chair.
- C. A majority vote of the task force members present at the meeting shall elect the Chair.
- D. At the first task force meeting, it shall be the duty of the task force members to nominate a candidate for the office of Vice Chair.
- E. A majority vote of the task force members present at the meeting shall elect the Vice Chair.

ARTICLE V. DUTIES OF THE OFFICERS

The officers of the task force shall have the following duties:

- A. The Chair shall preside at all meetings of the task force and may sign all letters, reports, and other communications of the task force. In addition, he/she shall perform all duties incident to the office of the Chair and such other duties as may be prescribed by the task force.
- B. The task force shall meet at the call of the Chair. The Chair shall ensure meetings are properly noticed, in accordance with applicable Sunshine Laws.
- C. A meeting agenda shall be created by the Chair.
- D. The duties of the Vice Chair shall be to represent the Chair in assigned duties and to substitute for the Chair during his/her absence and shall perform such other duties as may be assigned to him/her by the Chair or by the Task Force.
- E. The Chair may designate appropriate administrative and professional staff to keep the minutes of all meetings of the task force. Official minutes of any and all task force meetings must be approved by the task force prior to transmission to other parties. Staff shall promptly transmit to task force members, and to such other persons as the task force may direct, true and correct copies of the official minutes of such meetings. Staff shall be responsible for keeping the official attendance records for all task force meetings. It is the duty of staff to comply with the Florida Public Records Act (Chapter 119, Florida Statutes).

ARTICLE VI. MEETINGS

Section 1. – Regular Meetings

The Florida Blockchain Task Force shall meet at the call of the Chair and shall be properly noticed, in accordance with applicable Sunshine Laws. Noticed meetings may be canceled by the Chair.

Section 2. – Attendance

Attendance of members shall be kept for all meetings. Designated task force staff shall take attendance. All meetings shall be held in Tallahassee, Florida, unless otherwise decided by the task force.

All meetings must be scheduled and officially advertised in advance in compliance with Florida's Sunshine Law (Chapter 286, Florida Statutes). Any change in the established date, time, or location shall be re-advertised in compliance with the Sunshine Law.

A quorum necessary for the transaction of the business of the task force shall consist of a simple majority (seven members) of the total appointed membership as listed in Article III. An official quorum of task force members must be present at the meeting for the task force to conduct official business.

The Chair may approve participation by members from remote locations through the use of technology. Members participating remotely may also be counted as present and in attendance for the purpose of establishing a quorum for the task force to conduct official business.

Section 3. – Agendas

As addressed in Article V, a meeting agenda shall be created by the Chair. Members may propose agenda items to be considered at future meetings.

Meetings will follow the approved agenda. Each item on the agenda will be discussed to the satisfaction of the members present. Meeting discussions will be restricted to those topics on the agenda and in compliance with Robert's Rules of Order.

Any matter that is scheduled to come before the task force for a vote must be on the agenda.

Section 4. – Minutes

Minutes of all meetings will be recorded by task force staff and maintained in compliance with the Public Records Act (Chapter 119, Florida Statutes). Approved minutes will be kept on file on the task force webpage within the Florida Department of Financial Services website and posted for public view. Minutes of the previous meeting will be approved at the next meeting, with any additions or corrections noted.

Section 5. – Voting Rights

Each member shall be entitled to cast a vote and to speak on each item submitted for a vote before the task force. An individual holding more than one (1) position on the task force, either elected or appointed, shall cast only one (1) vote on each matter submitted. A member must be present to vote, either in person or through the use of technology. When necessary, the designated task force staff shall tally the votes according to the roll call of members present. Official votes will become part of the minutes. Alternates and proxy votes are not permitted (per Florida's Sunshine Law).

Section 6. – Guests

All meetings are open to the public under the Florida Sunshine Law; however, nonmembers/guests may not vote on task force issues. The Chair may allow for public participation at meetings. Such participation shall be granted at the call of the Chair and must be relevant to the meeting.

Section 7. – Special Meetings

Special meetings may be called by the Chair or by a majority vote of a quorum of members of the task force having voting rights. All special meetings will be advertised at least three (3) calendar days in advance. These meetings shall take place in accordance with adopted bylaws.

ARTICLE VII. PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the task force in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the task force may adopt.

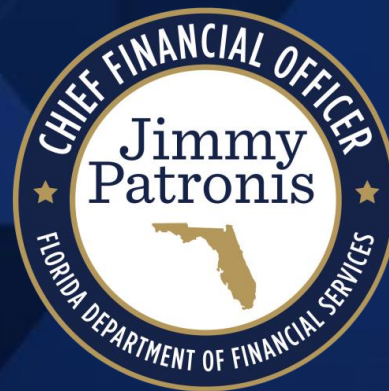
ARTICLE VIII. AMENDMENT OF BYLAWS

These bylaws must conform to Florida Statutes. The bylaws may be amended at any regular meeting of the task force by a two-thirds vote, provided that the amendment has been submitted in writing at the previous regular meeting. These bylaws and all amendments thereto shall become effective on the date of task force approval.

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Government in the Sunshine Training

Public Records & Sunshine Law





Part 1: Public Records

- Laws governing public records
- Public record defined
- Right of access
- Confidential and exempt records
- Retaining public records
- Remedies and penalties for noncompliance



Laws Governing Public Records

- Article I, Section 24(a), Florida Constitution
- Public Records Act



Article I, Section 24(a), Florida Constitution

- (a) Every person has the right to inspect or copy any public record made or received in connection with the official business of any public body, officer, or employee of the state, or persons acting on their behalf, except with respect to records exempted pursuant to this section or specifically made confidential by this Constitution.
- (c) The legislature, however, may provide by general law passed by a two-thirds vote of each house for the exemption of records from the requirements of subsection (a)...



Public Records Act

- Florida's Public Records Act, Chapter 119, Florida Statutes, provides a right of access to records of state and local governments as well as to private entities acting on their behalf.
- If material falls within the definition of "public record" it must be disclosed to the public unless there is a statutory exemption.



Public Record Defined

- Section 119.011(12), Florida Statutes, defines public record to mean:
“[A]ll documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.”



Transitory Records

- Transitory records means short-term *value* based upon the content and purpose of the message, *not* the format or technology used to transmit it.
- Email and text messages are not transitory— however, the content of the messages may be transitory.



Confidential or Exempt Information

- Section 119.071, Florida Statutes, and several other statutes make certain records or portions thereof confidential and exempt.
- All records must be reviewed prior to release to ensure confidential and exempt information is properly redacted.



Right of Access

- Subsection 119.07(1)(a), Florida Statutes, provides:
“Every person who has custody of a public record shall permit the record to be inspected and copied by any person desiring to do so, at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public records.”



Obligation to Retain Public Records

- All public records must be retained in accordance with the retention schedules approved by the Department of State – even if the record is confidential or exempt from inspection and copied.



Civil Remedies for Noncompliance

- Section 119.12, Florida Statutes
 - Attorney fees if a private citizen has to file a lawsuit to enforce compliance with Chapter 119, Florida Statutes
- Subsection 119.10(1)(a), Florida Statutes
 - Fine not exceeding \$500 for any violation of Chapter 119, Florida Statutes



Criminal Penalties for Noncompliance

- Subsection 119.10(1)(b), Florida Statutes
 - First degree misdemeanor for knowing violation of subsection 119.07(1), Florida Statutes
- Subsection 119.10(2)(a), Florida Statutes
 - First degree misdemeanor for willful and knowing violation of any provision of Chapter 119, Florida Statutes
- Subsection 119.10(2)(b), Florida Statutes
 - Third degree felony for willfully and knowingly violating section 119.105, Florida Statutes



Additional Resources

- Government-in-the-Sunshine Manual – 2019 version:
[http://myfloridalegal.com/webfiles.nsf/WF/MNOS-B9QQ79/\\$file/SunshineManual.pdf](http://myfloridalegal.com/webfiles.nsf/WF/MNOS-B9QQ79/$file/SunshineManual.pdf)



Part 2: Sunshine Law

- Provisions Governing Sunshine Law
- Requirements for Compliance
- Scope of the Sunshine Law
- Weidner Settlement
- Exemptions



Article I, Section 24(b), Florida Constitution

- 24(b): All meetings of any collegial public body of the executive branch of state government or of any collegial public body of a county, municipality, school district, or special district, at which official acts are to be taken or at which public business of such body is to be transacted or discussed, shall be open and noticed to the public and meetings of the legislature shall be open and noticed as provided in Article III, Section 4(e), except with respect to meetings exempted pursuant to this section or specifically closed by this Constitution.



Florida's Sunshine Law

Chapter 286, Florida Statutes

- Florida's Government in the Sunshine Law provides a right of access to governmental proceedings at both the state and local levels.
- In the absence of statutory exemption, it applies to any gathering of two or more members of the same board to discuss some matter which will foreseeably come before that board for action.



Requirements for Compliance

Three basic requirements:

- 1) Meetings of public boards or commissions must be open to the public;
- 2) Reasonable notice of such meetings must be provided; and
- 3) Minutes of the meetings must be prepared and open to public inspection.



Scope of the Sunshine Law

Board members cannot engage in private discussions with each other about board business, either in person or by telephoning, emailing, texting or any other type of electronic communication (i.e., Facebook, blogs).



Scope of Sunshine Law Continued....

While an individual board member is not prohibited from discussing board business with staff or a non-board member, these individuals may not be used as a liaison to communicate information between board members. For example, a board member cannot ask staff to poll the other board members to determine their views on a board issue.



Scope of Sunshine Law Continued....

- Staff are not normally subject to the Sunshine Law.
- Staff can become subject to Sunshine Law if:
 - Staff committees become part of the “decision making process” as opposed to traditional staff functions like fact-finding or information gathering.
 - If staff are acting as conduits between principals.
 - Advisory boards created pursuant to law or ordinance or otherwise established by public agencies may be subject to the Sunshine Law even though their recommendations are not binding upon the agencies that create them.



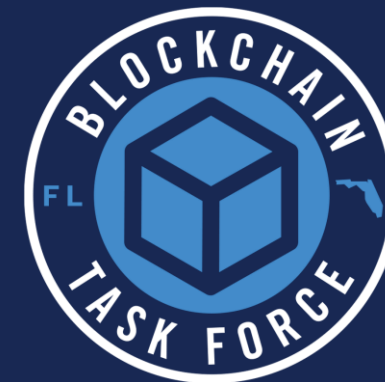
Exemptions

- Only the Legislature may create an exemption from the Sunshine Law (by a two-thirds vote).
- An exemption from the Public Records Law does not allow a board to close a meeting. Instead, a specific exemption from the Sunshine Law is required.
- While boards may adopt reasonable rules and policies to ensure orderly conduct of meetings, the Sunshine Law does not allow boards to ban non-disruptive videotaping, tape recording, or photography at public meetings.



Penalties for Violation of Chapter 286

- Civil action
 - Action taken in violation of the Sunshine Law may be invalidated.
 - Injunction to enforce provisions of Sunshine Law.
 - Attorney fees.
- Penalties
 - Failure to maintain minutes of meeting is punishable by a fine not to exceed \$500.
 - Any person who knowingly violates the Sunshine Law is guilty of a misdemeanor of the second degree, punishable by imprisonment not to exceed 60 days and a fine not to exceed \$500.
 - Suspension or removal from office.



QUESTIONS?

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