

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. \_\_\_\_\_**  
**OFFERED BY M. \_\_\_\_\_**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Deploying American  
3 Blockchains Act of 2023”.

**4 SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **BLOCKCHAIN TECHNOLOGY OR OTHER DIS-**  
7 **TRIBUTED LEDGER TECHNOLOGY.**—The term  
8 “blockchain technology or other distributed ledger  
9 technology” means a distributed digital database  
10 where data is—

11 (A) shared across a network of computers  
12 to create a ledger of verified information among  
13 network participants;

14 (B) linked using cryptography to maintain  
15 the integrity of the ledger and to execute other  
16 functions; and

17 (C) distributed among network partici-  
18 pants in an automated fashion to concurrently

1 update network participants on the state of the  
2 ledger and other functions.

3 (2) COVERED NONGOVERNMENTAL REPRESENT-  
4 ATIVES.—The term “covered nongovernmental rep-  
5 resentatives” means representatives as specified in  
6 the second sentence of section 135(b)(1) of the  
7 Trade Act of 1974 (19 U.S.C. 2155(b)(1)), except  
8 that such term does not include representatives of  
9 non-Federal governments.

10 (3) SECRETARY.—The term “Secretary” means  
11 the Secretary of Commerce.

12 (4) STATE.—The term “State” means each of  
13 the several States, the District of Columbia, each  
14 commonwealth, territory, or possession of the United  
15 States, and each federally recognized Indian Tribe.

16 (5) TOKEN.—The term “token” means a trans-  
17 ferable, digital representation of information re-  
18 corded on blockchain technology or other distributed  
19 ledger technology.

20 (6) TOKENIZATION.—The term “tokenization”  
21 means the process of creating a token.

22 **SEC. 3. DEPARTMENT OF COMMERCE LEADERSHIP ON**  
23 **BLOCKCHAIN.**

24 (a) FUNCTION OF SECRETARY.—The Secretary shall  
25 serve as the principal advisor to the President for policy

1 pertaining to the deployment, use, application, and com-  
2 petitiveness of blockchain technology or other distributed  
3 ledger technology, applications built on blockchain tech-  
4 nology or other distributed ledger technology, tokens, and  
5 tokenization.

6 (b) ACTIVITIES.—The Secretary shall take actions  
7 necessary and appropriate to support the leadership of the  
8 United States with respect to the deployment, use, appli-  
9 cation, and competitiveness of blockchain technology or  
10 other distributed ledger technology, applications built on  
11 blockchain technology or other distributed ledger tech-  
12 nology, tokens, and tokenization, including by—

13 (1) developing policies and recommendations on  
14 issues and risks related to the deployment, use, ap-  
15 plication, and competitiveness of blockchain tech-  
16 nology or other distributed ledger technology, appli-  
17 cations built on blockchain technology or other dis-  
18 tributed ledger technology, tokens, and tokenization,  
19 including the issues of decentralized identity, cyber-  
20 security, key storage and security systems, artificial  
21 intelligence, fraud reduction, regulatory compliance,  
22 e-commerce, health care applications, and supply  
23 chain resiliency;

24 (2) supporting and promoting the stability,  
25 maintenance, improvement, and security of

1 blockchain technology or other distributed ledger  
2 technology, applications built on blockchain tech-  
3 nology or other distributed ledger technology, to-  
4 kens, and tokenization;

5 (3) helping to promote the leadership of the  
6 United States with respect to the deployment, use,  
7 application, and competitiveness of blockchain tech-  
8 nology or other distributed ledger technology, appli-  
9 cations built on blockchain technology or other dis-  
10 tributed ledger technology, tokens, and tokenization  
11 through the establishment of a Blockchain Deploy-  
12 ment Program in the Department of Commerce;

13 (4) promoting the national security and eco-  
14 nomic security of the United States with respect to  
15 blockchain technology or other distributed ledger  
16 technology, applications built on blockchain tech-  
17 nology or other distributed ledger technology, to-  
18 kens, and tokenization;

19 (5) supporting engagement with the public to  
20 promote the best practices described in subsection  
21 (c);

22 (6) considering policies and programs to en-  
23 courage and improve coordination among Federal  
24 agencies with respect to the deployment of  
25 blockchain technology or other distributed ledger

1 technology, applications built on blockchain tech-  
2 nology or other distributed ledger technology, to-  
3 kens, and tokenization;

4 (7) examining—

5 (A) how Federal agencies can benefit from  
6 utilizing blockchain technology or other distrib-  
7 uted ledger technology, applications built on  
8 blockchain technology or other distributed ledg-  
9 er technology, tokens, and tokenization;

10 (B) the current use by Federal agencies of  
11 blockchain technology or other distributed ledg-  
12 er technology, applications built on blockchain  
13 technology or other distributed ledger tech-  
14 nology, tokens, and tokenization;

15 (C) the current and future preparedness  
16 and ability of Federal agencies to adopt  
17 blockchain technology or other distributed ledg-  
18 er technology, applications built on blockchain  
19 technology or other distributed ledger tech-  
20 nology, tokens, and tokenization; and

21 (D) additional security measures Federal  
22 agencies may need to take to—

23 (i) safely and securely use blockchain  
24 technology or other distributed ledger tech-  
25 nology, applications built on blockchain

1 technology or other distributed ledger tech-  
2 nology, tokens, and tokenization, including  
3 to ensure the security of critical infrastruc-  
4 ture; and

5 (ii) enhance the resiliency of Federal  
6 systems against cyber threats to blockchain  
7 technology or other distributed ledger tech-  
8 nology, applications built on blockchain  
9 technology or other distributed ledger tech-  
10 nology, tokens, and tokenization;

11 (8) supporting coordination of the activities of  
12 the Federal Government related to the security of  
13 blockchain technology and other distributed ledger  
14 technology, applications built on blockchain tech-  
15 nology or other distributed ledger technology, to-  
16 kens, and tokenization; and

17 (9) not later than 180 days after the date of  
18 the enactment of this Act, establishing advisory com-  
19 mittees to support the adoption of blockchain tech-  
20 nology or other distributed ledger technology, appli-  
21 cations built on blockchain technology or other dis-  
22 tributed ledger technology, tokens, and tokenization,  
23 the membership of which shall include—

24 (A) the Secretary;

1 (B) representatives of Federal agencies (as  
2 determined necessary by the Secretary); and

3 (C) nongovernmental stakeholders with ex-  
4 pertise related to blockchain technology or other  
5 distributed ledger technology, including—

6 (i) blockchain technology or other dis-  
7 tributed ledger technology infrastructure  
8 operators, suppliers, service providers, and  
9 vendors;

10 (ii) application developers building on  
11 blockchain technology or other distributed  
12 ledger technology;

13 (iii) developers and organizations sup-  
14 porting the advancement and deployment  
15 of public blockchain technology or other  
16 distributed ledger technology;

17 (iv) subject matter experts rep-  
18 resenting industrial sectors that can ben-  
19 efit from blockchain technology or other  
20 distributed ledger technology;

21 (v) small, medium, and large busi-  
22 nesses;

23 (vi) think tanks and academia;

24 (vii) nonprofit organizations and con-  
25 sumer groups;

- 1 (viii) cybersecurity experts;
- 2 (ix) rural stakeholders;
- 3 (x) covered nongovernmental rep-
- 4 resentatives;
- 5 (xi) artists and the content creator
- 6 community; and
- 7 (xii) other stakeholders with relevant
- 8 expertise (as determined necessary by the
- 9 Secretary).

10 (c) BEST PRACTICES.—The Secretary shall, on an

11 ongoing basis, facilitate and support the development and

12 dissemination of best practices with respect to blockchain

13 technology or other distributed ledger technology, applica-

14 tions built on blockchain technology or other distributed

15 ledger technology, tokens, and tokenization that—

- 16 (1) support the private sector, the public sector,
- 17 and public-private partnerships in the deployment of
- 18 technologies needed to advance the capabilities of
- 19 blockchain technology or other distributed ledger
- 20 technology, applications built on blockchain tech-
- 21 nology or other distributed ledger technology, to-
- 22 kens, and tokenization;
- 23 (2) support the interoperability of blockchain
- 24 technology or other distributed ledger technology,
- 25 applications built on blockchain technology or other



1 distributed ledger technology, tokens, and  
2 tokenization;

3 (3) support operations, including hashing and  
4 key storage and security systems, that form the  
5 foundation of blockchain technology or other distrib-  
6 uted ledger technology, applications built on  
7 blockchain technology or other distributed ledger  
8 technology, tokens, and tokenization;

9 (4) reduce cybersecurity and other risks that  
10 may compromise blockchain technology or other dis-  
11 tributed ledger technology, applications built on  
12 blockchain technology or other distributed ledger  
13 technology, tokens, and tokenization;

14 (5) reduce uncertainty and risks in the use of  
15 blockchain technology or other distributed ledger  
16 technology, applications built on blockchain tech-  
17 nology or other distributed ledger technology, to-  
18 kens, and tokenization; and

19 (6) quantify the value and potential cost sav-  
20 ings associated with adoption of blockchain tech-  
21 nology or other distributed ledger technology, appli-  
22 cations built on blockchain technology or other dis-  
23 tributed ledger technology, tokens, and tokenization,  
24 including through comparative analyses of competing

1 and existing technologies within specific industry ap-  
2 plications.

3 (d) ADDITIONAL REQUIREMENTS.—In carrying out  
4 this section, the Secretary shall—

5 (1) consult closely and regularly with stake-  
6 holders, including private sector individuals and enti-  
7 ties, and incorporate industry expertise;

8 (2) collaborate with private sector stakeholders  
9 to identify prioritized, flexible, repeatable, perform-  
10 ance-based, and cost-effective approaches to the de-  
11 ployment of blockchain technology or other distrib-  
12 uted ledger technology, applications built on  
13 blockchain technology or other distributed ledger  
14 technology, tokens, and tokenization;

15 (3) disseminate research and information per-  
16 taining to the use of, and marketplace for,  
17 blockchain technology or other distributed ledger  
18 technology, applications built on blockchain tech-  
19 nology or other distributed ledger technology, to-  
20 kens, and tokenization;

21 (4) develop standardized terminology for, and  
22 promote common understanding of, blockchain tech-  
23 nology or other distributed ledger technology, appli-  
24 cations built on blockchain technology or other dis-  
25 tributed ledger technology, tokens, and tokenization;

1           (5) ensure the best practices described in sub-  
2           section (c) facilitate the ease of use of blockchain  
3           technology or other distributed ledger technology,  
4           applications built on blockchain technology or other  
5           distributed ledger technology, tokens, and  
6           tokenization;

7           (6) support open-source infrastructure, data  
8           management, and authentication activities with re-  
9           spect to blockchain technology or other distributed  
10          ledger technology, applications built on blockchain  
11          technology or other distributed ledger technology, to-  
12          kens, and tokenization; and

13          (7) consider the needs and interests of both the  
14          private and public sector, including small businesses  
15          and Federal, State, and local governments.

16          (e) RULES OF CONSTRUCTION.—Nothing in this sec-  
17          tion may be construed to—

18                (1) require a private entity to share information  
19                with the Secretary;

20                (2) require a private entity to request assist-  
21                ance from the Secretary;

22                (3) require a private entity to implement any  
23                measure or recommendation suggested by the Sec-  
24                retary in response to a request by the private entity;

25                or

1           (4) require the adoption of the best practices  
2           described in subsection (c).

3           (f) CONSULTATION.—In implementing this section,  
4           the Secretary may, as appropriate, consult with the heads  
5           of relevant Federal agencies.

6           (g) TERMINATION OF PROGRAM.—The Blockchain  
7           Deployment Program established pursuant to subsection  
8           (b)(3) shall terminate on the date that is 7 years after  
9           the date of the enactment of this Act.

10 **SEC. 4. REPORT TO CONGRESS.**

11           Not later than 2 years after the date of the enact-  
12           ment of this Act, and annually thereafter, the Secretary  
13           shall make public on the website of the Department of  
14           Commerce and submit to the Committee on Energy and  
15           Commerce of the House of Representatives and the Com-  
16           mittee on Commerce, Science, and Transportation of the  
17           Senate a report that includes—

18           (1) a description of the activities of the Sec-  
19           retary under this Act during the preceding year;

20           (2) any recommendations by the Secretary for  
21           additional legislation to strengthen the competitive-  
22           ness of the United States with respect to blockchain  
23           technology or other distributed ledger technology,  
24           applications built on blockchain technology or other

1 distributed ledger technology, tokens, and  
2 tokenization; and

3 (3) a description of any emerging risks and  
4 long-term trends with respect to blockchain tech-  
5 nology or other distributed ledger technology, appli-  
6 cations built on blockchain technology or other dis-  
7 tributed ledger technology, tokens, and tokenization.

