

.....  
(Original Signature of Member)

117TH CONGRESS  
1ST SESSION

**H. R.**

---

To require the Administrator of the Small Business Administrator to conduct a study on the state of blockchain technology and its use in consumer protection, and for other purposes.

---

IN THE HOUSE OF REPRESENTATIVES

Ms. SALAZAR introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To require the Administrator of the Small Business Administrator to conduct a study on the state of blockchain technology and its use in consumer protection, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Blockchain Solutions  
5 for Small Businesses Act”.

6 **SEC. 2. FINDINGS.**

7       Congress finds the following:

1 (1) Blockchain or distributed ledger technology  
2 allows computers connected by a peer-to-peer net-  
3 work to reach agreement over a shared ledger of  
4 data. Changes to the shared ledger can only be ef-  
5 fected if all of the computers in the network verify  
6 the validity of the change and agree to its inclusion  
7 in the ledger.

12 (3) As small businesses increasingly move their  
13 operations online, it is critical that any and all infor-  
14 mation relevant to the business is protected and se-  
15 cure. Blockchain technology is an optimal tool that  
16 small businesses can leverage to ensure that the op-  
17 eration is adequately protected from cyberattack.

18 (4) Blockchains are decentralized and distributed across peer-to-peer networks that are continually updated and kept in sync. Because these networks are not contained in a central location, they do not have a single point of failure and cannot be changed from a single computer operating within the network. These features of blockchain technology

1 make stealing data or engaging in fraud significantly  
2 more difficult.

3 (5) Blockchain technology has the ability to bol-  
4 ster trust and efficiency. All participants in the  
5 blockchain networks have access to the same infor-  
6 mation, which is not only immutable but also up-  
7 dated in real time, which means that information  
8 sharing and verification is streamlined and accessible  
9 to all relevant parties.

10 SEC. 3. STUDY ON BLOCKCHAIN TECHNOLOGY AND ITS  
11 USES AT THE SMALL BUSINESS ADMINISTRA-  
12 TION.

13 (a) STUDY REQUIRED.—The Administrator of the  
14 Small Business Administration, in consultation with any  
15 other Federal agency the Administrator determines appro-  
16 priate, shall conduct a study on—

21 (2) the potential uses of blockchain technology  
22 to—

23 (A) minimize fraud in the lending pro-  
24 grams established under such subsections; and

(B) improve the provision of services under such lending programs.

3 (b) ELEMENTS.—The study required under sub-  
4 section (a) shall include the following:

5 (1) An assessment of trends in the use of  
6 blockchain technology in the financial sector.

19 (A) the potential benefits and risks of  
20 using blockchain technology;

21 (B) how blockchain technology can be used  
22 to maximize efficiency of the Administration;  
23 and

24 (C) how blockchain technology can be used  
25 to reduce fraud and increase the security of the

1                   lending programs established under such sub-  
2                   sections.

3                   (4) Any other relevant information or rec-  
4                   ommendations related to the use of blockchain tech-  
5                   nology by the Administrator.

6                   (c) REPORT.—Not later than one year after the date  
7 of the enactment of this Act, the Administrator of the  
8 Small Business Administration shall submit to the Com-  
9 mittee on Small Business of the House of Representatives  
10 and the Committee on Small Business and Entrepreneur-  
11 ship of the Senate a report on the results of the study.

12                   (d) BLOCKCHAIN DEFINED.—In this Act, the term  
13 “blockchain” means a digital ledger or database which is  
14 chronological, consensus-based, decentralized, and mathe-  
15 matically verified in nature.