

MEMORANDUM

To: House Committee on Commerce and Economic Development

From: Oliver R. Goodenough, Co-Director, Center for Legal Innovation, Vermont Law School

Re: S.135 Sec. G.1.

Date: April 19, 2017

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Thank you for the opportunity to comment on Section G.1. of Senate Bill 135. Thank you also for allowing me to send a written submission. I will be traveling tomorrow during the time that you are aiming to review the bill in committee.

The Center for Legal Innovation at Vermont Law School (CLI) would be pleased and honored to undertake the study described in the current version of the bill. Financial technology is a rapidly developing area of commerce around the globe. Whether we are seeking to defend our traditional areas of strength, such as Captive Insurance, or seeking to capitalize on new activities, such as Blockchain, Vermont's law makers need to be aware of these developments and should be considering possible legislative action to accommodate and regulate the new world of "FinTech".

Here at VLS, we would be happy to take the lead in investigating the opportunities and concerns that arise from the new developments in financial technology and to present the findings set out in the bill. At the CLI, we are looking at these innovations as a principal area of research over the summer, and taking the lead on the contemplated study would therefore work well with our plans. The opportunity to do this work in consultation with the Commissioner of Financial Regulation, the Secretary of Commerce and Community Development, and the Attorney General, the Vermont governmental departments listed in the section, would also be welcome.

In light of this, we support the adoption of the current language of Sec. G.1. Please let us know if further information would be useful.