

OPENING STATEMENT
Ranking Member Eddie Bernice Johnson (D-TX)

House Committee on Science, Space, and Technology
Subcommittee on Oversight
Subcommittee on Research and Technology
“Beyond Bitcoin: Emerging Applications for Blockchain Technology”
February 14, 2018

Thank you Chairman Abraham.

I am glad that the Committee is holding this hearing today on the emerging applications of blockchain technology. Blockchain technology has the potential to change voting, identity verification, taxation, medical care, contracts, shipping, shopping, and many other facets of life. We on the Science Committee need to better understand this important technology and proactively address policies to spur its responsible development here in the United States. I am happy that NIST, the National Institute of Standards and Technology, is here to discuss its work related to blockchain technology, particularly its work in the development of national and international standards.

China, Japan, the United Arab Emirates, and the European Union have all taken blockchain technology quite seriously. They have all invested in research and initiated pilot programs using the technology. The European Union has begun to examine some of the potential needs for blockchain regulation, while trying not to stifle innovation. The international competition has begun, and we in Congress must do our part to make sure that the United States remains the center of blockchain innovation and use.

During the Clinton Administration, the internet grew from the realm of hobbyists into a mainstream, thriving marketplace of ideas and goods. The internet became a driver of economic growth, and a tool that today helps us all live more efficient lives. Policies that the Clinton Administration pursued were critical to helping that transition occur. We must make sure that the federal government today similarly adopts policies that help blockchain technology move from its main use now—cryptocurrency—to become a driver of wider economic growth and nationwide efficiency.

Blockchain promises potential transformational benefits, but we also need to understand the potential pitfalls that come with the widespread use of blockchain technology. We must also make sure we go beyond the hype and understand the real limitations of the technology. I am glad to have Mr. Aaron Wright, a blockchain expert, and Mr. Chris Jaikaran, from the Congressional Research Service, who can both address potential concerns arising from greater use of blockchain technology.

Again, I am excited that the Committee is covering this important, emerging technology and hope for more hearings on similar topics in the future.

Thank you to all of our witnesses today. I yield back the balance of my time.