



# OKLAHOMA ETHICS COMMISSION

PHONE: (405) 521-3451 • FAX: (405) 521-4905 • WEBSITE: [WWW.ETHICS.OK.GOV](http://WWW.ETHICS.OK.GOV)

February 7, 2020

## Comments Regarding Advisory Opinion Request 2019-02

### Introduction

An Advisory Opinion request was submitted via email to the Oklahoma Ethics Commission (“Commission”) on August 29, 2019 by Senator Nathan Dahm.<sup>1</sup> Individuals are interested in contributing to his state campaign via digital currency, virtual currency, and/or cryptocurrency. The questions submitted by Senator Dahm are, in pertinent part, as follows:

- Are virtual currency, digital currency, or cryptocurrency considered “anything of value” under current statutes and ethics rules?
- Are candidate committees<sup>2</sup> able to accept virtual currency, digital currency or cryptocurrency as contributions?

Due to the complicated nature of this request, the Commission is providing a list of topics to discuss at the Public Hearing(s) held by the Commission on the questions presented by Senator Dahm. This will assist the Commission in determining the necessity of an advisory opinion, and if one is necessary, to ensure the Commission has sufficient information to make informed decisions on its interpretation of the Rules impacted by the questions presented.

### Discussion Topics

- **Scope of the Advisory Opinion and Jurisdictional Considerations**
  - Are digital currency, virtual currency, and cryptocurrencies sufficiently similar to be treated as a singular category for an Advisory Opinion, or should they be analyzed separately?
  - Are other agencies regulating digital currency, virtual currency, and cryptocurrencies, and what are the areas of concern for the Commission when determining whether to consider such as campaign contributions?
  - If other agencies are regulating digital currency, virtual currency, and cryptocurrencies, what positive and/or negative impacts have you seen as a result of regulation?
  - How would the issuance of an Advisory Opinion on the questions submitted affect other agencies?
- **Public Interest and Resource Considerations**
  - Are digital currency, virtual currency, and cryptocurrencies being exchanged regularly in Oklahoma or by Oklahoma citizens?

<sup>1</sup> AO Request 2019-02.

<sup>2</sup> Senator Dahm clarified in an email on November 22, 2019 that he is requesting the opinion specifically with regards to candidate committees.

- Is this a widespread interest for candidates running for state office?
- What are the pros/cons of allowing digital currency, virtual currency, and/or cryptocurrency from a candidate committee perspective?
- What are the pros/cons of allowing digital currency, virtual currency, and/or cryptocurrency from a citizen prospective?
- What are the public policy concerns, if any, of the Commission issuing an Advisory Opinion in this area at this time?
- **Digital Currency, Virtual Currency, and Cryptocurrency Defined**
  - Are these securities, currency, property, assets, or other?
  - How do other agencies define digital currency, virtual currency, and/or cryptocurrency?
  - Is the buying, selling, and trading of digital currency, virtual currency, and/or cryptocurrency on the online/virtual exchange networks considered an investment?
- **Disclosure**
  - Thoughts on the whether contributors who provide digital currency, virtual currency, and/or cryptocurrency to state candidate committees should be subject to the \$50 contribution itemization limit, or whether such contribution should be fully disclosed on reports regardless of value.
  - How easy/difficult is it to retrieve contributor information from the digital currency, virtual currency, and/or cryptocurrency exchange platforms?

The Commission accepts both written and oral comments about the draft advisory opinions and/or comments.

**Written Comments:** Written comments may be emailed to [ethics@ethics.ok.gov](mailto:ethics@ethics.ok.gov) with the subject line “AOR-2019-02 Comment” or must be received at the Ethics Commission office, 2300 N. Lincoln Boulevard, Room G-27, Oklahoma City, OK 73105, not later than 4:30 p.m. on Thursday, February 13, 2020.

**Oral Comments:** Oral comments may be made during the public hearing agenda item listed on the Oklahoma Ethics Commission agenda for its meeting on Friday, February 14, 2020 at 10:00 a.m. The meeting will be held at the State Capitol Building, 2300 N. Lincoln Blvd., Oklahoma City, OK, 73105 in room 511-A.