



**Department of Business Regulation
Office of the Director**

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April 2, 2026

The Honorable Joseph Solomon, Jr.
Chairperson, House Committee on Corporations
State House
Providence, Rhode Island 02903

RE: H 7843 – RI Decentralized Autonomous Organization Act

Dear Chair Solomon:

I write on behalf of the Department of Business Regulation (“DBR”) to relay the departments opposition of H7843. This bill would establish a framework for recognizing decentralized autonomous organizations (DAOs) as limited liability companies, mandates annual reporting to the DBR and allows for governance via smart contracts. It also introduces a regulatory sandbox for piloting both public and private infrastructure projects and financing initiatives under the DBR oversight and regulation promulgation.

While DBR notes the important policy that this bill is addressing, we do not have staff who currently understand Decentralized Autonomous Organizations. While we regulate some areas of the virtual currency universe, primarily our authority comes over the converting of virtual currency to money or vice versa, and the areas contained within this bill are beyond our traditional expertise. As such, we think it would take us several full-time equivalent employees to be able to accomplish the tasks laid out in this legislation. This is an emerging topic of law, and for Rhode Island to be able to enforce this law, we would likely need to work closely with other states and draft novel regulations to outline appropriate conduct. As such, we envision that we would need an additional subject matter expert and an attorney if this bill were to pass.

We would be happy to meet with the Committee and/or sponsors to discuss this bill further. Please do not hesitate to contact me at Elizabeth.dwyer@dbr.ri.gov or 401.462.9615 (office) or 401.578.6653 (mobile) with any questions or for additional information.

Thank you for your consideration of our position on this proposed legislation.

Sincerely,

Elizabeth Kelleher Dwyer, Esq.
Director, Department of Business Regulation

cc: Honorable Members of the House Committee on Corporations
Honorable Stephen M. Casey
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House