

December 1, 2016

Dear State of Illinois,

Thank you for inviting public comment on Bitcoin and blockchain. I will keep this letter short.

1. Cryptocurrency and blockchain close a loophole in the internet. In the next ten years, we will see explosive growth in the uses of both for things we cannot imagine today.
2. Incumbent industries will put pressure on the state to heavily regulate and stop development of cryptocurrency and blockchain platforms. Do not listen to their arguments.

The entrepreneurial ecosystem that harnesses the power of cryptocurrency and blockchain will be a center of activity for a generation to come. Currently, a lot of the development is in Silicon Valley. However, the financial system of Chicago offers several strategic advantages over the Valley.

Chicago has unique understanding of the plumbing behind financial markets. There are several assets it has over other areas of the world. It is the international center for both risk management, and accounting.

Allowing development to proceed in Illinois unencumbered by new regulation will give Chicago and the greater Midwest a chance to build a tech ecosystem that interfaces with things like logistics, supply chain, manufacturing, and medicine like no other. Interpreting current regulations on the books to be cryptocurrency/blockchain friendly will also go a long way to assist development.

Additionally, if the state of Illinois government can quickly adopt private blockchains and utilize them, it will further the entrepreneurial ecosystem. Adopting blockchain and bitcoin could cut employee headcount for the government, and cut costs. Implementing quickly could save Illinois taxpayers billions of dollars. Initially, people will focus on jobs lost. Because the technology is so new, it's impossible for anyone to predict with certainty jobs that will be created.

As an investor, I am excited about the prospects of Bitcoin/Blockchain. As a person that has been involved with financial services their entire life, I am astounded by the sheer amount of revolution blockchain and bitcoin promise. But, we can't realize that future if we regulate the technology out of existence.

I applaud the state of Illinois seemingly light touch when it comes to Bitcoin/Blockchain, and hope that this continues.

Sincerely,  
Jeffrey R. Carter @pointsnfigures @westloopv