



Chamber of Digital Commerce  
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**Verbal Testimony – Chamber of Digital Commerce  
Provided to Federal Election Commission  
Wednesday, February 11, 2015**

**McCutcheon v. FEC Advance Notice of Proposed Rulemaking Hearing**

**Intro**

Good morning, my name is Perianne Boring and I am the President of the Chamber of Digital Commerce, a trade association that represents the digital currency community. Thank you for inviting the Chamber to testify today.

**Internet/fast forward to digital currencies**

Both digital currencies and the blockchain – the underlying protocol and public ledger – offer exciting opportunities to dramatically enhance and expand voter participation in the political process.

As best stated by the FEC, “Over the last decade, the Internet has had a profound democratizing effect on the political process and has led to increased participation in that process.” Digital currencies are a logical next step in the evolution of the Internet.

Millennials are the first generation in history raised with a critical mass of computers and mobile phones in their homes and schools. In fact, many Millennials logged on to a computer to play games before reading or writing.

Over the last 12 months, the amount of investments in the digital currency sector has led to a surge in jobs, with individuals leaving places like Google, Amazon and Facebook as well as major banking organizations, to join this industry. We have also seen substantial innovation and growing public awareness. We expect these trends, and adoption to accelerate.

The capital being deployed in this ecosystem is being used to develop applications far beyond Bitcoin’s use as a currency. These applications have the potential to bring significant benefits to the political process, and play a major role in the areas of voter identity, election transparency and campaign donations.

### **Benefits to elections/campaigns**

Digital currencies provide candidates with alternative sources of funds for their campaigns. Transactions facilitated by blockchain technology offer users the combined benefit of secure and frictionless payments with much lower transaction fees.

The profound effect this could have on political inclusion should not be underestimated. Digital currencies promote greater political participation via micro-transactions, which allows more people to contribute on a broader level, who might have less to give, but can still have a significant collective voice.

Digital currencies can benefit campaigns if they can also be “spent” directly, without having first being converted to fiat.

An early example of the power of Bitcoin in fundraising was found at a football game. In December 2013, a college student held up a poster on TV caught by ESPN that said “HI MOM SEND BITCOIN” with a QR code. This student raised over \$24,000 in bitcoin with just seconds of exposure. There is a growing list of other examples demonstrating consumer acceptance and the ease of making contributions using this technology.

### **Conclusion**

As the Commission tackles other issues such as voter identity, technologies related to digital currencies, like the blockchain, should be considered as methods to bring greater transparency, audit capabilities and security in the election process.

Technological developments and innovation in digital currencies will continue to move at a rapid pace – and the Chamber of Digital Commerce welcomes an open dialogue with the Commission in order to stay abreast of the opportunities ahead.