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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- RHODE  
ISLAND DECENTRALIZED AUTONOMOUS ORGANIZATION ACT

Introduced By: Representative Stephen M. Casey

Date Introduced: February 27, 2026

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 7 of the General Laws entitled "CORPORATIONS, ASSOCIATIONS,  
2 AND PARTNERSHIPS" is hereby amended by adding thereto the following chapter:

3 CHAPTER 17

4 RHODE ISLAND DECENTRALIZED AUTONOMOUS ORGANIZATION ACT

5 **7-17-1. Purpose and recognition.**

6 (a) By adopting this legislation, Rhode Island can compete effectively for blockchain talent  
7 and investment, drive economic growth in emerging tech sectors, and open new avenues for  
8 projects, financing and public-private collaboration while upholding strong oversight,  
9 cybersecurity protections, and full federal compliance.

10 (b) A decentralized autonomous organization may be recognized as a limited liability  
11 company under Rhode Island law when it satisfies the governance and reporting requirements  
12 established in this chapter.

13 **7-17-2. Articles of organization.**

14 A decentralized autonomous organization limited liability company shall include in its  
15 articles of organization a declaration that it is a decentralized autonomous organization limited  
16 liability company, the address of the on-chain governance contract or protocol, the name and  
17 address of a registered agent for service of process in Rhode Island, and provisions that specify  
18 member's rights, voting thresholds, and procedures for amendments.

1           **7-17-3. Governance and liability.**

2           Governance may occur through smart contracts or digital consensus mechanisms. Member  
3 liability is limited to the amount of each member’s financial contribution unless fraud or willful  
4 misconduct is proven. A decentralized autonomous organization limited liability company may sue  
5 and be sued in its own name.

6           **7-17-4. Reporting and oversight.**

7           Decentralized autonomous organization limited liability companies shall file an annual  
8 report with the department of business regulation (“ the department”) that discloses the status of  
9 governance and any technical modifications. The department shall issue guidance on filing  
10 procedures and review processes, and cybersecurity standards consistent with regard to compliance  
11 with any laws pertaining to Rhode Island financial institutions cybersecurity law.

12           **7-17-5. Regulatory sandbox.**

13           The state shall establish a limited-term regulatory sandbox that permits decentralized  
14 autonomous organization entities to pilot public and private projects, including infrastructure and  
15 financing initiatives, under department oversight. Participants shall maintain compliance with anti-  
16 money laundering, know-your-customer, and Financial Crimes Enforcement Network (FinCEN)  
17 obligations.

18           **7-17-6. Dissolution and conversion.**

19           A decentralized autonomous organization limited liability company may convert to a  
20 traditional limited liability company or dissolve through a member vote recorded on-chain or by  
21 written consent filed with the secretary of state.

22           **7-17-7. Capital formation and project finance.**

23           A decentralized autonomous organization limited liability company may engage in capital  
24 formation through private placements of membership interests or governance tokens that comply  
25 with federal securities laws, including Regulation D (private placements), and may finance  
26 infrastructure projects, public-private partnerships, and other lawful initiatives through transparent  
27 on-chain mechanisms, subject to all applicable state and federal regulatory requirements.

28           **7-17-7. Rules and Regulations.**

29           The department of business regulation shall promulgate rule and regulations relating to the  
30 implementation and enforcement of this chapter.

31           SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- RHODE  
ISLAND DECENTRALIZED AUTONOMOUS ORGANIZATION ACT

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1           This act would authorize the formation of the decentralized autonomous organizations  
2 (DAO) and giving DAOs clear legal status as limited liability companies. It would create a  
3 predictable, business-friendly framework that provides limited liability protection, allow  
4 governance through smart contracts, support compliant capital raising and token issuance, and  
5 include a regulatory sandbox for safe testing of blockchain projects in infrastructure, finance, and  
6 public-private partnerships.

7           This act would take effect upon passage.

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