

# **Bond Case Briefs**

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## **Blockchain Municipal Bond Plan Inches Forward With Berkeley Vote.**

- **Council votes to direct city manager to evaluate venture**
- **California city could be first to apply technology to munis**

Berkeley, California, is inching closer to possibly becoming the first municipality to apply blockchain technology to public finance to raise funds for community projects.

In a unanimous vote Tuesday night, the City Council asked the city manager to evaluate the benefits of a pilot venture that may result in the city selling an undetermined amount of municipal bonds with the technology that underpins cryptocurrencies.

The initiative led by vice mayor Ben Bartlett aims to boost the community's participation by offering the municipal debt in minibond securities for less than the typical minimum denomination of \$5,000. Blockchain, which is a platform that uses so-called distributed ledgers to allow digital assets to be traded securely, would record the bonds and subsequent transactions as soon as they're issued.

Coupling minibonds with blockchain is "meant to get around Wall Street," Bartlett said during the meeting before the vote.

A couple members of the council said they needed to know more about the idea. Councilwoman Susan Wengraf questioned the need for using blockchain. "If we're doing mini muni bonds, which I think is a great idea, isn't blockchain overkill?" she said.

### **Bloomberg**

By Romy Varghese

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