

Written Testimony OPPOSED (UNF) to SB168, “State Department of Assessments and Taxation – Blockchain-Based Real Property Title Pilot Program - Establishment”.

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Written Testimony Opposing SB168

I respectfully submit this testimony in opposition to SB168. The bill directs public funds toward a blockchain-based property records system without demonstrating that blockchain offers any meaningful advantage over more efficient and established technologies. While modernization of property-record systems is a reasonable goal, the bill assumes—without evidence—that blockchain is the necessary vehicle for that modernization. It is not.

Supporters of SB168 cite squatting as the primary justification for adopting blockchain. However, the scenarios they describe typically involve individuals presenting what they claim is a valid lease. If the lease lists a legitimate property owner, a blockchain system provides no additional clarity.

. Where improvements to existing systems are needed—such as standardized APIs, better data-access workflows, or more timely updates—those improvements can be implemented directly, without the cost and complexity of blockchain.

Background and Expertise

- PhD in Computational Chemistry; Chartered Financial Analyst
- 25 years leading computational risk and investment-modeling teams at four financial firms
- 3 years leading an anti-fraud modeling team at a major financial-technology company

I emphasize that blockchain is not uniquely suited to validating ownership, leases, or property rights. Several points illustrate this:

- Leases are not required to be recorded, so a blockchain cannot verify whether a lease presented by a squatter was legitimately granted.
- A forged deed can be entered into a blockchain just as easily as into any other system; blockchain does not authenticate documents.
- Blockchain does not eliminate the delay between a transaction and its availability through an API. That delay arises from workflow and process issues, not from the underlying database architecture. Addressing those issues—such as by improving intake processes, digitizing supporting documentation, or providing modern APIs—can be done with or without blockchain.
- Squatting can be addressed more directly by allowing property owners to attest to law enforcement that they did not authorize a lease, combined with strong penalties for false statements and for presenting forged or fraudulent documents.

SB168 reflects a familiar pattern in which blockchain is promoted as a universal solution without a rigorous evaluation of its effectiveness or its advantages over simpler, more reliable alternatives. Modernization is achievable, but it does not require blockchain. For these reasons, I urge the committee to reject SB168 and pursue improvements that are determined by rigorous technical assessments rather than the recommendations of a group with a financial stake in a specific solution.