

Qortal - Block Reward and QORA Burn Pool Modification Proposal - May 31st 2022

Introduction -

In this proposal the need for a modification of the block rewards scheme of Qortal will be laid out, with details, and a solution will be provided.

When the Qortal model was created, it was assumed that multiple people would reach level 7 at near the same time. However, over the reality of the model playing out, that didn't happen, and at this point there is a single minter, who is months ahead in minted blocks than that of everyone else. There were multiple reasons this could have played out, and we will not get into all of them, but it mostly probably had to do with the fact that the minter was minting on multiple nodes, and a few of those nodes were on the same machine with a higher level account, making it more likely for the blocks signed by that node to be the blocks accepted by the network. This skewed the results to a very high degree, causing the majority of the minters that should have been minting the entire time, as they had keys assigned to their nodes like they were supposed to, to fall months behind this single minter.

Due to this months behind scenario, that single minter is on track to receive the entirety of the level 7-8 rewards tier by themselves, for multiple months.

It is the opinion of this proposal that that scenario is not in line with the 'fair distribution model' of Qortal, and therefore needs some modifications before that situation ultimately comes to pass.

This proposal will describe a potential solution to the issue that does not further benefit the founders, or anyone else unfairly, and instead provides further balance and fairness of block reward distribution to the entire network.

Qortal was meant to be able to 'adapt' with the current climate and what is going on, and was always known that the model could potentially be slightly modified if scenarios such as this came up, and that was always part of the overall plan to keep Qortal as fair as possible for everyone involved.

Another point of this proposal will be to address the QORA burn rewards, which were initially set at 20% of the block reward. These burn rewards are rewards given to those who held QORA and burned it. It was done so that the QORA community would not be 'left behind' to a dead project when Qortal launched. However, it was not promised that they would continue to get such a large chunk of the overall block reward forever.

If you are to look at what the QORA burn people have done with their rewards, a large portion of them have simply sold the coin, it is clear they are treating this as 'free money' when they should be helping the project grow, especially at the beginning when that should be the main focus. Continually dumping tens of thousands of coins does not help the community in any way, and only a select few of the QORA burn people have offered any sort of significant assistance to the project in any way.

It will also be suggested that the QORA burn reward pool get reduced from 20% to 1%, and continue from this point paying 1% of the block reward to the QORA burn people. It should also be noted that the QORA burn people do not even have to mint in order to earn those rewards, and therefore do not even necessarily have to be active participants in the network, which is essentially outside of the Qortal ethos itself. This was only done because of a promise given to the QORA community by crowetic before Qortal launch, that the QORA people would not be left behind. It is the opinion of this proposal, that the QORA people have been more than adequately taken care of thus far, and a 1% continued payment should continue to fulfill the agreement pre-Genesis.

Proposal Details -

The suggested modifications in this proposal are in regard to ensuring that a single minter doesn't end up with 20% of the QORT block reward for multiple months by themselves, and to reduce the QORA burn pool to 1%.

The reduction of the QORA burn pool will send the remaining 19% to the overall minter pool, which means it would get paid to all minters from level 1+. It would simply reduce the QORA pool to 1% and the remaining would get split up in the regular minting pool just like it does now.

The more in-depth modification is going to be the level 7-8 rewards tier modification. With this suggested change, the level 7-8 reward tier would not begin paying out until there are a 'sufficient number' of minters in the tier.

I.E. - Until there are 30+ level 7+ minters active, the level 7-8 rewards tier (once the first minter hits level 7) will begin getting paid out to the level 5, 6, and 7 minters. (this means it will NOT continue going to the founders, but instead the 5-6 and 7-8 tiers will essentially 'merge' until there are enough active minters of level 7+.)

With these above modifications, every minter on Qortal would end up with a boost in their minted QORT, and levels 5 and 6 would get a larger boost when the first level 7 exists, until there are 30+ active level 7+ minters. This would even the playing field so that a single minter doesn't receive the entire 20% of the block reward themselves, and give further rewards to the long-standing minters of the chain who have been supporting the platform.

This proposal is believed to be completely fair and will only increase the minter rewards for every minter of Qortal while reducing the rewards for the QORA burners, which have likely needed to be reduced for a while now.

Bullets -

- QORA burn rewards will be reduced at a set block from 20% to 1%.
- The additional QORA burn reward percentage will be given to the overall minter pool (levels 1+).

- The level 7-8 minter tier will 'merge' with the 5-6 tier until there are 30+ minters active in the 7+ level.
- Once there are 30+ minters active in 7-8 tier, payments will resume on the original schedule (being paid to only the 7-8 level minters).
- This will also apply to the 9-10 tier at the start of that tier, so that the same scenario doesn't ultimately end up playing out twice.
- The level 9-10 tier will merge with the 7-8 tier until there are 30+ active minters in the 9-10 tier.
- This proposal simply needs a YES or a NO, if NO, please submit a counter-proposal within the following 3 days with suggested modifications.
- Majority in favor will activate the proposal and the dev team will choose a block to implement the changes, and announce the block so that the entire community will be aware of the change block.

Conclusion -

This proposal is vital to the future fairness of the Qortal block reward system, and to remove any unfair advantage from unforeseen circumstances that didn't work out in reality as well as they did in theory.

Proposal Votes - two proposal votes required

There will be TWO votes on this proposal, for the two suggested modifications. The **FIRST** proposal vote will be on the **modification of the QORA burn rewards from 20% to 1% with the remaining going into the overall minter pool (levels 1+).**

The first proposal will require a **YES** or a **NO**

(We will use Y and N reactions on discord, two separate announcement posts. We will use two separate polls on telegram)

The second proposal is in regard to the minting level tier modifications. Do we want to **modify the level tiers so that when the FIRST minter hits level 7, the level 7-8 tier goes to levels 5,6, and 7 until there are 30+ minters in the tier, at which point resuming its original schedule.** (The same thing would apply to the level 9-10 tier at the beginning of that tier as well.)

The second proposal will also require a **YES** or a **NO**