Signal Proposal: Burn Fee + Min Fee Param Addition

This proposal is designed to assess community interest in two critical changes: implementing a burn fee procedure and setting transaction fees as an on-chain parameter for the Secret Network.

Overview

At present, the transaction fees on Secret Network are relatively low, thereby simplifying the onboarding of new users. Yet over the last several months, Secret Saturn has made the fee grant module popular on secret, demonstrating to DApp builders that they can create easy onboarding for users without existing Secret holdings, if desired. This trend has subsequently been followed by the Shade platform.

However, the low transaction fees have inadvertently exposed the network to affordable DDOS attacks. These attacks, perpetrated by both arbitrage bots and other actors with no discernable positive intentions, are known to degrade network quality. This issue has been occurring for some time now and is not unique to secret.

Proposal

We suggest adding an on-chain parameter that allows for proposals to alter the minimum gas fees on the Secret Network, with a default option that can be changed to exclude fees for relayed transactions as this seems standard to do at this time. Currently, fees are directed towards validators and set manually per node. This proposal also recommends that these fees be automatically burned at the protocol level, rather than being allocated to validators.

Pairing a minimum gas fee parameter with a fee burn mechanism would imply that Secret usage incurs a meaningful cost in SCRT determined by governance that gets burned, thereby reducing the overall supply. While acknowledging that this would not outpace inflation at the present time, It provides additional levers for governance to utilize for achieving desired outcomes. This represents a multi-pronged approach to network management and growth, but it does not suggest any specific minimum fee only adding the parameters to the chain.

Voting Yes on this proposal means you'd like to see these features added in a network upgrade by SCRT Labs.

Voting No on this proposals means you would not like to see these features added in a network upgrade by SCRT Labs.

References

1. Example of minimum gas parameter activation from Osmosis:Osmosis Proposal
2. Example EIP-1559: Fee market change for ETH 1.0 chain:EIP-1559