

SF0125

Digital assets-existing law.

Sponsored By: Senator(s) Nethercott, Driskill, Perkins and Rothfuss
and Representative(s) Harshman, Lindholm, Loucks, Olsen
and Wilson

AN ACT relating to property; classifying digital assets within existing laws; specifying that digital assets are property within the Uniform Commercial Code; authorizing security interests in digital assets; establishing an opt-in framework for banks to provide custodial services for digital asset property as custodians; specifying standards and procedures for custodial services under this act; clarifying the jurisdiction of Wyoming courts relating to digital assets; authorizing a supervision fee; making an appropriation; authorizing positions; specifying applicability; authorizing the promulgation of rules; and providing for an effective date.

1/18/2019 Bill Number Assigned
1/22/2019 S Received for Introduction
1/23/2019 S Introduced and Referred to S01 - Judiciary
1/28/2019 S01 - Judiciary:Recommend Do Pass 5-0-0-0-0

ROLL CALL

Ayes: Senator(s) Anselmi-Dalton, Boner, Kost, Nethercott, Von Flatern
Ayes 5 **Nays** 0 **Excused** 0 **Absent** 0 **Conflicts** 0

1/28/2019 S Placed on General File

SF0125SW001/ADOPTED

Page 16-line 9 Delete "13-2-104 and"; after "13-5-101(b)" insert "and 34-29-104". NETHERCOTT

1/29/2019 S COW:Passed
1/30/2019 S 2nd Reading:Passed
1/31/2019 S 3rd Reading:Passed 28-1-1-0-0

ROLL CALL

Ayes: Senator(s) Agar, Anderson, Anselmi-Dalton, Baldwin, Bebout, Biteman, Boner, Bouchard, Case, Coe, Dockstader, Driskill, Ellis, Gierau, Hicks, Hutchings, James, Kinskey, Kost, Landen, Moniz, Pappas, Perkins, Rothfuss, Schuler, Scott, Von Flatern, Wasserburger

Nays: Senator Steinmetz

Excused: Senator Nethercott

Ayes 28 **Nays** 1 **Excused** 1 **Absent** 0 **Conflicts** 0

2/1/2019 H Received for Introduction
2/6/2019 H Introduced and Referred to H07 - Corporations
2/7/2019 H07 - Corporations:Recommend Amend and Do Pass 6-3-0-0-0

ROLL CALL

Ayes: Representative(s) Blackburn, Clifford, Duncan, Eyre, Furphy, Lindholm

Nays: Representative(s) Clausen, Clem, Edwards

Ayes 6 **Nays** 3 **Excused** 0 **Absent** 0 **Conflicts** 0

2/7/2019 H Placed on General File
2/7/2019 H COW:Rerefer to H02 - Appropriations
2/11/2019 H02 - Appropriations:Recommend Do Pass 7-0-0-0-0

ROLL CALL

Ayes: Representative(s) Kinner, Larsen, Nicholas, Olsen, Schwartz, Sommers, Walters

Ayes 7 **Nays** 0 **Excused** 0 **Absent** 0 **Conflicts** 0

2/11/2019 H Placed on General File

SF0125HS001/ADOPTED (TO ENGROSSED COPY)

Page 1-line 9 After "assets;" insert "authorizing a supervision fee; making an appropriation; authorizing positions;".

Page 3-lines 1 through 6 Delete entirely and insert:

 "(iii) "Digital security" means a digital asset which constitutes a security, as defined in W.S. 17-4-102(a)(xxviii), but shall exclude digital consumer assets and virtual currency;".

Page 8-line 8 After "data" insert ", or any substantially similar analogue, which is".

Page 8-line 21 Delete "for digital".

Page 8-line 22 Delete "assets".

Page 9-line 3 Delete "for digital".

Page 9-line 4 Delete "assets".

Page 14-line 3 After "writing" insert "."; delete "and a customer" and insert "A customer who makes an election under paragraph (d)(i) of this section".

Page 14-after line 16 Insert:

 "(n) Banks are not subject to the annual report license tax levied under W.S. 17-16-1630. In lieu of this tax and to offset the costs of supervision and administration of this section, a bank which provides custodial services under this section shall pay a supervision fee equal to two-tenths of one mill on the dollar (\$.0002) relating to assets held in custody under this section as of December 31 of each year, with payment of the supervision fee made on or before the following January 31. The supervision fee shall be deposited by the commissioner into the financial institutions administration account and may be expended for any purpose authorized for that account. Banks providing custodial services outside of this section shall not be required to pay this supervision fee.".

Page 14-line 18 Delete "(n)" and insert "(o)".

Page 14-line 21 Delete "(o)" and insert "(p)".

Page 16-after line 13 Insert:

 "**Section 4.** The department of audit is authorized two (2) additional full-time employees for the purposes of this act. There is appropriated one hundred seventy-five thousand six hundred four dollars (\$175,604.00) of special revenue funds from the financial institutions administration account to the department of audit. This appropriation shall be for the period beginning with the effective date of this act and ending June 30, 2020.".

Page 16-line 15 Delete "4." and insert "5.". LINDHOLM, CHAIRMAN

2/12/2019 H COW:Passed

SF0125H2001/ADOPTED (TO ENGROSSED COPY)

Page 1-line 6 Delete "directed".

Page 5-line 19 After "intangibles" insert "or any other provision of law".

Page 6-lines 18 through 21 Delete entirely and insert: "34.1, Wyoming statutes, a transferee takes a digital asset free of any security interest two (2) years after the transferee takes the asset for value and does not have

actual notice of an adverse claim. This subsection only applies to a security interest perfected by a method other than control."

Page 7-lines 2 through 4 Delete entirely and insert:

"(i) Consistent with subsection (f) of this section, "control" is equivalent to the term "possession" when used in article 9, title 34.1, Wyoming statutes and means the following:"

Page 7-line 7 After "exclusive" insert "legal".

Page 7-line 10 After "arrangement" insert "authorized by the secured party".

Page 7-line 13 After "exclusive" insert "legal".

Page 8-after line 17 Insert:

"(f) Perfection by control creates a possessory security interest and does not require physical possession. For purposes of article 9, title 34.1 and this section, a digital asset is located in Wyoming if the asset is held by a Wyoming custodian, the debtor or secured party is physically located in Wyoming or the debtor or secured party is incorporated or organized in Wyoming."

Page 12-line 2 Delete "directed".

Page 13-line 12 Delete "directed".

Page 14-line 9 Delete "materially".

Page 14-line 10 Delete "affect" and insert "exercise discretionary authority relating to".

Page 15-line 10 Delete "directed". LINDHOLM

2/13/2019 H 2nd Reading:Passed

2/14/2019 H 3rd Reading:Passed 54-2-4-0-0

ROLL CALL

Ayes: Representative(s) Barlow, Blackburn, Blake, Brown, Burkhart, Burlingame, Clausen, Connolly, Crank, Dayton-Selman, Duncan, Eklund, Eyre, Flitner, Freeman, Furphy, Gray, Haley, Hallinan, Harshman, Henderson, Hunt, Jennings, Kinner, Kirkbride, Larsen, Laursen, Lindholm, Loucks, MacGuire, Miller, Newsome, Nicholas, Obermueller, Olsen, Paxton, Pelkey, Piiparinen, Pownall, Roscoe, Salazar, Schwartz, Simpson, Sommers, Stith, Styvar, Sweeney, Tass, Washut, Western, Wilson, Winter, Yin, Zwonitzer

Nays: Representative(s) Clem, Edwards

Excused: Representative(s) Clifford, Greear, Northrup, Walters

Ayes 54 **Nays** 2 **Excused** 4 **Absent** 0 **Conflicts** 0

2/14/2019 S Received for Concurrence

2/15/2019 S Concur:Passed 29-0-1-0-0

ROLL CALL

Ayes: Senator(s) Agar, Anderson, Anselmi-Dalton, Baldwin, Bebout, Biteman, Boner, Bouchard, Case, Coe, Dockstader, Driskill, Ellis, Gierau, Hicks, Hutchings, James, Kinskey, Kost, Landen, Moniz, Nethercott, Pappas, Perkins, Rothfuss, Schuler, Scott, Steinmetz, Von Flatern

Excused: Senator Wasserburger

Ayes 29 **Nays** 0 **Excused** 1 **Absent** 0 **Conflicts** 0

2/15/2019 Assigned Number SEA No. 0039

2/19/2019 S President Signed SEA No. 0039

2/20/2019 H Speaker Signed SEA No. 0039

2/26/2019 Governor Signed SEA No. 0039

2/26/2019 Assigned Chapter Number 91

