

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Private cryptographic keys.

Sponsored by: Representative(s) HDraft

A BILL

for

1 AN ACT relating to digital assets; specifying legal  
2 characteristics and obligations applicable to private  
3 cryptographic keys; and providing for an effective date.

4

5 *Be It Enacted by the Legislature of the State of Wyoming:*

6

7 **Section 1.** W.S. 34-29-101(a) by creating a new  
8 paragraph (v) and 34-29-102(a) by creating a new paragraph  
9 (iv) are amended to read:

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11 **34-29-101. Definitions.**

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13 (a) As used in this chapter:

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2 (i) "Digital asset" means a representation of  
3 economic, proprietary or access rights that is stored in a  
4 computer readable format, and includes digital consumer  
5 assets, digital securities and virtual currency;

6

7 (ii) "Digital consumer asset" means a digital  
8 asset that is used or bought primarily for consumptive,  
9 personal or household purposes and includes:

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11 (A) An open blockchain token constituting  
12 intangible personal property as otherwise provided by law;

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14 (B) Any other digital asset which does not  
15 fall within paragraphs (iii) and (iv) of this subsection.

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17 (iii) "Digital security" means a digital asset  
18 which constitutes a security, as defined in W.S. 17-4-  
19 102(a)(xxviii), but shall exclude digital consumer assets  
20 and virtual currency;

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22 (iv) "Virtual currency" means a digital asset  
23 that is:

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(A) Used as a medium of exchange, unit of account or store of value; and

(B) Not recognized as legal tender by the United States government.

(v) "Private key" means as defined by W.S. 34-29-103(e)((iii)).

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STAFF COMMENT  
W.S. 34-29-103(e)(iii) defines "private key" as follows:

"(iii) "Private key" means a unique element of cryptographic data, or any substantially similar analogue, which is:

(A) Held by a person;

(B) Paired with a unique, publicly available element of cryptographic data; and

(C) Associated with an algorithm that is necessary to carry out an encryption or decryption required to execute a transaction."

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(b) The terms in paragraphs (a)(ii) through (iv) of this section are mutually exclusive.

1           **34-29-102.       Classification of digital assets as**  
2 **property; applicability to Uniform Commercial Code; private**  
3 **keys.**

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5           (a)     Digital assets are classified in the following  
6 manner:

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8           (i)     Digital consumer assets are intangible  
9 personal property and shall be considered general  
10 intangibles, as defined in W.S. 34.1-9-102(a)(xlii), only  
11 for the purposes of article 9 of the Uniform Commercial  
12 Code, title 34.1, Wyoming statutes;

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14           (ii)    Digital securities are intangible personal  
15 property and shall be considered securities, as defined in  
16 W.S. 34.1-8-102(a)(xv), and investment property, as defined  
17 in W.S. 34.1-9-102(a)(xlix), only for the purposes of  
18 articles 8 and 9 of the Uniform Commercial Code, title  
19 34.1, Wyoming statutes;

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21           (iii)   Virtual currency is intangible personal  
22 property and shall be considered money, notwithstanding  
23 W.S. 34.1-1-201(b)(xxiv), only for the purposes of article

1 9 of the Uniform Commercial Code, title 34.1, Wyoming  
2 statutes.

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4 (iv) For any matter related to a digital asset,  
5 other interest or right to which a private key provides  
6 access, the private key shall not constitute a digital  
7 asset, interest or right separate from the asset, interest  
8 or right to which the key provides access.

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10 (b) Consistent with W.S. 34.1-8-102(a)(ix), a digital  
11 asset may be treated as a financial asset under that  
12 paragraph, pursuant to a written agreement with the owner  
13 of the digital asset. If treated as a financial asset, the  
14 digital asset shall remain intangible personal property.

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16 (c) A bank providing custodial services under W.S.  
17 34-29-104 shall be considered to meet the requirements of  
18 W.S. 34.1-8-102(a)(xiv).

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20 (d) Classification of digital assets under this  
21 section shall be construed in a manner to give the greatest  
22 effect to this chapter, but shall not be construed to apply  
23 to any other asset.

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Section 2. This act is effective July 1, 2020.

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STAFF COMMENT

Pursuant to the Task Force's direction, this bill draft is designed to create a bill that prevents private keys from being considered a distinct asset or piece of property when the assets to which the keys provide access are subject to a bankruptcy, probate or other action. The Task Force should continue to consider the various uses of private keys in order to fully explore any limitations that might appropriately be placed on the broad rule adopted in this bill.

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(END)