

By: Stephenson

H.B. No. 4371

A BILL TO BE ENTITLED

AN ACT

relating to digital currencies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle A, Title 15, Business & Commerce Code, is amended by adding Chapter 662 to read as follows:

CHAPTER 662. DIGITAL CURRENCIES

Sec. 662.0001. DEFINITIONS. In this chapter:

(1) "Digital currency" means an electronic form of currency that can be denominated to sovereign currency and employs the use of a distributed ledger.

(2) "Digital wallet" means an electronic device or online service that allows a person to pay for transactions using digital currency.

(3) "Distributed ledger" means a structured data representation that grows only by appending new data, authenticates users with strong cryptography, and leverages economic incentives to encourage users to manage and secure updates.

(4) "Verified identity digital currency" means a digital currency that allows the true identities of the sender and the receiver to be known before a person has access to another person's digital wallet.

Sec. 662.0002. VERIFICATION OF IDENTITY REQUIRED. (a) Before accepting payment by a digital currency, a person must verify the identity of the person sending payment. A person is not

1 required to verify the identify of a person sending payment if the
2 payment is sent by a verified identity digital currency.

3 (b) This state may not use a digital currency that is not a
4 verified identity digital currency.

5 Sec. 662.0003. VERIFIED IDENTITY DIGITAL CURRENCY
6 AWARENESS. (a) The Texas Department of Banking, Credit Union
7 Commission, Texas Department of Public Safety, and State Securities
8 Board shall collaborate to encourage the use of verified identity
9 digital currencies.

10 (b) The agencies listed in Subsection (a) shall:

11 (1) provide tools for people to distinguish a verified
12 identity digital currency from digital currencies that allow users
13 to remain anonymous;

14 (2) educate law enforcement agencies on digital
15 currencies; and

16 (3) promote the use of verified identity digital
17 currencies.

18 (c) The Finance Commission of Texas, Credit Union
19 Commission, Texas Department of Public Safety, and State Securities
20 Board shall adopt rules to implement this section.

21 SECTION 2. This Act takes effect September 1, 2019.