

HOUSE BILL 1507

By Powell

AN ACT to amend Tennessee Code Annotated, Title 12;  
Title 47; Title 48; Title 61 and Title 66, relative to  
electronic transactions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 10, is amended by adding the following language as a new part:

**47-10-201.** As used in this part:

(1) "Blockchain technology" means distributed ledger technology that uses a distributed, decentralized, shared, and replicated ledger, which may be public or private, permissioned or permissionless, or driven by tokenized crypto economics or tokenless. The data on the ledger is protected with cryptography, is immutable and auditable, and provides an uncensored truth; and

(2) "Smart contract" means an event-driven program, that runs on a distributed, decentralized, shared, and replicated ledger and that can take custody over and instruct transfer of assets on that ledger.

**47-10-202.**

(a) A signature that is secured through blockchain technology is considered to be in an electronic form and to be an electronic signature.

(b) A record or contract that is secured through blockchain technology is considered to be in an electronic form and to be an electronic record.

(c) Smart contracts may exist in commerce. No contract relating to a transaction shall be denied legal effect, validity, or enforceability solely because that contract contains a smart contract term.

(d) Notwithstanding any other law, a person that, in or affecting interstate or foreign commerce, uses blockchain technology to secure information that the person owns or has the right to use retains the same rights of ownership or use with respect to that information as before the person secured the information using blockchain technology. This subsection (d) does not apply to the use of blockchain technology to secure information in connection with a transaction to the extent that the terms of the transaction expressly provide for the transfer of rights of ownership or use with respect to that information.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.