

SENATE BILL 2882

By Bailey

AN ACT to amend Tennessee Code Annotated, Title 5, Chapter 8, Part 3; Title 6, Chapter 56, Part 1; Title 9, Chapter 4, Part 6 and Title 47, relative to investment in cryptocurrency, blockchains, and non-fungible tokens.

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

SECTION 1. Tennessee Code Annotated, Section 5-8-301(b), is amended by adding the following as a new subdivision:

( )

(A) Cryptocurrency, blockchains, and non-fungible tokens;

(B) As used in this subdivision (b)( ):

(i) "Blockchain" means a decentralized data system in which the data stored is mathematically verifiable, that uses distributed ledger technology, as defined in § 47-10-201, or databases to store specialized data in the permanent order of transactions recorded;

(ii) "Cryptocurrency" means a virtual currency that utilizes cryptography to validate and secure transactions that are digitally recorded through distributed ledger technology;

(iii) "Non-fungible token" means a non-fungible cryptographic asset on a blockchain, which possesses unique identifiers or other metadata that distinguishes the asset from another token or asset in a manner that makes the asset irreplaceable and non-exchangeable for a similar token or asset; and

(iv) "Virtual currency" means a digital representation of value that functions as a medium of exchange, a unit of discount, or a store of value, but does not have legal tender status in any jurisdiction;

SECTION 2. Tennessee Code Annotated, Section 6-56-106(a), is amended by adding the following as a new subdivision:

( )

(A) Cryptocurrency, blockchains, and non-fungible tokens;

(B) As used in this subdivision (a)( ):

(i) "Blockchain" means a decentralized data system in which the data stored is mathematically verifiable, that uses distributed ledger technology, as defined in § 47-10-201, or databases to store specialized data in the permanent order of transactions recorded;

(ii) "Cryptocurrency" means a virtual currency that utilizes cryptography to validate and secure transactions that are digitally recorded through distributed ledger technology;

(iii) "Non-fungible token" means a non-fungible cryptographic asset on a blockchain, which possesses unique identifiers or other metadata that distinguishes the asset from another token or asset in a manner that makes the asset irreplaceable and non-exchangeable for a similar token or asset; and

(iv) "Virtual currency" means a digital representation of value that functions as a medium of exchange, a unit of discount, or a store of value, but does not have legal tender status in any jurisdiction;

SECTION 3. Tennessee Code Annotated, Section 9-4-602(a)(1)(B)(i), is amended by adding the following as a new subdivision:

( )

(1) Cryptocurrency, blockchains, and non-fungible tokens;

(2) As used in this subdivision (a)(1)(B)(i)( ):

(A) "Blockchain" means a decentralized data system in which the data stored is mathematically verifiable, that uses distributed ledger technology, as defined in § 47-10-201, or databases to store specialized data in the permanent order of transactions recorded;

(B) "Cryptocurrency" means a virtual currency that utilizes cryptography to validate and secure transactions that are digitally recorded through distributed ledger technology;

(C) "Non-fungible token" means a non-fungible cryptographic asset on a blockchain, which possesses unique identifiers or other metadata that distinguishes the asset from another token or asset in a manner that makes the asset irreplaceable and non-exchangeable for a similar token or asset; and

(D) "Virtual currency" means a digital representation of value that functions as a medium of exchange, a unit of discount, or a store of value, but does not have legal tender status in any jurisdiction;

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.