1   H.737

2   Introduced by Introduced by Representatives Clarkson of Woodstock, Dakin

3   of Colchester, Baser of Bristol, Botzow of Pownal, Carr of

4   Brandon, Christie of Hartford, Eastman of Orwell, Kitzmiller of

5   Montpelier, Marcotte of Coventry, O'Sullivan of Burlington,

6   Parent of St. Albans Town, Scheuermann of Stowe, Sibilia of

7   Dover, and Stuart of Brattleboro

8   Referred to Committee on

9   Date:

10   Subject: Judiciary; commerce and trade; records; blockchain technology

11   Statement of purpose of bill as introduced: This bill proposes to address the

12   validity and admissibility of, and presumptions relating to, records created with

13   blockchain technology.

14   An act relating to recognizing blockchain technology

15   It is hereby enacted by the General Assembly of the State of Vermont:

16   Sec. 1. 12 V.S.A. § 1913 is added to read:

17   § 1913. BLOCKCHAIN ENABLING

18   (a) In this section "blockchain technology" means a mathematically

19   secured, chronological, and decentralized consensus ledger or database,

1   whether maintained via Internet interaction, peer-to-peer network, or

2   otherwise.

3   (b) Presumptions and admissibility.

4   (1) Extrinsic evidence of authenticity as a condition precedent to

5   admissibility in a Vermont court is not required for a record maintained by a

6   valid application of blockchain technology.

7   (2) The following presumptions apply:

8   (A) A fact or record verified through a valid application of

9   blockchain technology is authentic.

10   (B) The date and time of the recordation of the fact or record

11   established through such a blockchain is the date and time that the fact or

12   record was added to the blockchain.

13   (C) The person established through such a blockchain as the person

14   who made such recordation is the person who made the recordation.

15   (3) A presumption does not extend to the truthfulness, validity, or legal

16   status of the contents of the fact or record.

17   (4) A person against whom the fact operates has the burden of

18   producing evidence sufficient to support a finding that the presumed fact,

19   record, time, or identity is not authentic as set forth on the date added to the

20   blockchain, but the presumption does not shift to a person the burden of

1   persuading the trier of fact that the underlying fact or record is itself accuate in

2   what it purports to represent.

3   (c) Without limitation, the presumption established in this section shall

4   apply to a fact or record maintained by blockchain technology to determine:

5   (1) contractual parties, provisions, execution, effective dates, and status;

6   (2) the ownership, assignment, negotiation, and transfer of money,

7   property, contracts, instruments, and other legal rights and duties;

8   (3) identify, participation, and status in the formation, management,

9   record keeping, and governance of any person;

10   (4) identity, participation, and status for interactions in private

11   transactions and with a government or governmental subdivision, agency, or

12   instrumentality;

13   (5) the authenticity or integrity of a record, whether publicly or privately

14   relevant; and

15   (6) the authenticity or integrity of records of communication.

16   (d) The provisions of this section shall not create or negate:

17   (1) an obligation or duty for any person to adopt or otherwise implement

18   blockchain technology for any purpose authorized in this section; or

19   (2) the legality or authorization for any particular underlying activity

20   whose practices or data are verified through the application of blockchain

21   technology.

1   Sec. 2. EFFECTIVE DATE

2   This act shall take effect on July 1, 2016.