

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

SENATE BILL 1666

By: Dahm

AS INTRODUCED

An Act relating to virtual currency; defining terms; making virtual currency exempt from state security laws under certain conditions; stating conditions for exemption; setting criteria for meeting certain requirement; directing the Secretary of State to develop and implement a filing system for certain notices; authorizing virtual currency as payment to any state agency and its political subdivisions; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1500.2 of Title 19, unless there is created a duplication in numbering, reads as follows:

A. For purposes of this act, terms shall have the following meanings:

1. "Virtual currency" means any type of digital unit that is used as a medium of exchange or a form of digitally stored value or that is incorporated into a payment system technology and includes tokens, coins or electronic instruments having a monetary value for consumptive purposes and purchase of goods, services or content; and

1 2. "Notice of Intent" means an official filing with the
2 Secretary of State which provides pertinent information on the
3 developer or seller of virtual currency and a token representing
4 such virtual currency and states that such token has been developed
5 primarily for consumptive purposes and purchases of goods, services
6 or content.

7 B. Virtual currency shall be exempt from the state's security
8 laws provided the issued token representing virtual currency and its
9 issuer meet the following requirements:

10 1. The developer or seller of the token, or the registered
11 agent of the developer or seller, files a notice of intent with the
12 Secretary of State;

13 2. The purpose of the token is for a consumption purpose which
14 shall only be exchangeable for, or provided for, the receipt of
15 goods, services or content including rights of access to goods,
16 services or content; and

17 3. The developer or seller of the token did not sell the token
18 to the initial buyer as a financial investment.

19 C. For the purposes of paragraph 3 of subsection B of this
20 section, the requirement is only met if:

21 1. The developer or seller did not market the token as a
22 financial investment; and

23 2. At least one of the following are true:
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- a. the developer or seller of the token reasonably believed that it sold the token to the initial buyer for a consumptive purpose, and
- b. the token has a consumptive purpose that is available at the time of sale and can be used at or near the time of sale for use for a consumptive purpose,
- c. if the token does not have a consumptive purpose available at the time of sale, the initial buyer of the token is prevented from reselling the token until the token is available for a consumptive purpose, or
- d. the developer or seller takes other reasonable precautions to prevent buyers from purchasing the token as a financial investment.

D. The Secretary of State shall develop and implement a filing system and procedures for receiving virtual currency notices of intent from developers or sellers of tokens issued for consumptive purposes only.

E. Virtual currency may be accepted by any state agency and its political subdivisions as payment for goods, services or content.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 12-110.1 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. For purposes of this act, terms shall have the following meanings:

1 1. "Virtual currency" means any type of digital unit that is
2 used as a medium of exchange or a form of digitally stored value or
3 that is incorporated into a payment system technology and includes
4 tokens, coins or electronic instruments having a monetary value for
5 consumptive purposes and purchase of goods, services or content; and

6 2. "Notice of Intent" means an official filing with the
7 Secretary of State which provides pertinent information on the
8 developer or seller of virtual currency and a token representing
9 such virtual currency and states that such token has been developed
10 primarily for consumptive purposes and purchases of goods, services
11 or content.

12 B. Virtual currency shall be exempt from the state's security
13 laws provided the issued token representing virtual currency and its
14 issuer meet the following requirements:

15 1. The developer or seller of the token, or the registered
16 agent of the developer or seller, files a notice of intent with the
17 Secretary of State;

18 2. The purpose of the token is for a consumption purpose which
19 shall only be exchangeable for, or provided for, the receipt of
20 goods, services or content including rights of access to goods,
21 services or content; and

22 3. The developer or seller of the token did not sell the token
23 to the initial buyer as a financial investment.

1 C. For the purposes of paragraph 3 of subsection B of this
2 section, the requirement is only met if:

3 1. The developer or seller did not market the token as a
4 financial investment; and

5 2. At least one of the following are true:

6 a. the developer or seller of the token reasonably
7 believed that it sold the token to the initial buyer
8 for a consumptive purpose, and

9 b. the token has a consumptive purpose that is available
10 at the time of sale and can be used at or near the
11 time of sale for use for a consumptive purpose,

12 c. if the token does not have a consumptive purpose
13 available at the time of sale, the initial buyer of
14 the token is prevented from reselling the token until
15 the token is available for a consumptive purpose, or

16 d. the developer or seller takes other reasonable
17 precautions to prevent buyers from purchasing the
18 token as a financial investment.

19 D. The Secretary of State shall develop and implement a filing
20 system and procedures for receiving virtual currency notices of
21 intent from developers or sellers of tokens issued for consumptive
22 purposes only.

23 E. Virtual currency may be accepted by any state agency and its
24 political subdivisions as payment for goods, services or content.

SECTION 3. This act shall become effective November 1, 2020.

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