

1 **SENATE FLOOR VERSION**

2 April 1, 2024

3 ENGROSSED HOUSE
4 BILL NO. 3594

By: Hill and Maynard of the
House

5 and

6 Coleman and Prieto of the
7 Senate

8
9 An Act relating to blockchains; defining terms;
10 directing that the government of Oklahoma not take
11 certain actions; prohibiting subjecting payment with
12 digital assets to additional tax, withholding,
13 assessment, or charge; clarifying scope of section;
14 authorizing certain home digital asset mining;
15 authorizing certain digital asset mining businesses;
16 limiting certain actions by political subdivisions;
17 permitting certain appeals of certain zoning changes;
18 directing the Oklahoma Corporation Commission to not
19 create certain discriminatory rates; clarifying that
20 certain persons are not required to obtain a money
21 transmitter license; permitting certain operations;
22 clarifying that certain business offering shall not
23 be considered a security or investment contract;
24 limiting certain liability; providing for
noncodification; 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 not to be
codified in the Oklahoma Statutes reads as follows:

In publishing the decennial Oklahoma Statutes and the cumulative
supplements after July 1, 2024, West Publishing Company shall

1 include in such decennial statutes and supplements a new Title 75A,
2 to be designated "Technology".

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 100 of Title 75A, unless there
5 is created a duplication in numbering, reads as follows:

6 As used in this act:

7 1. "Blockchain" means data that is shared across a network to
8 create a ledger of verified transactions or information among
9 network participants linked using cryptography to maintain the
10 integrity of the ledger and to execute other functions and
11 distributed among network participants in an automated fashion to
12 concurrently update network participants on the state of the ledger
13 and any other functions;

14 2. "Blockchain protocol" means any executable software deployed
15 to a blockchain composed of source code that is publicly available
16 and accessible, including a smart contract or any network of smart
17 contracts;

18 3. "Digital asset" means virtual currency, cryptocurrencies,
19 natively electronic assets, including stablecoins and non-fungible
20 tokens, and other digital-only assets that confer economic,
21 proprietary, or access rights or powers;

22 4. "Digital asset mining" means using electricity to power a
23 computer or node for the purpose of securing a blockchain network;

24

1 5. "Digital asset mining business" means a group of computers
2 working that consume more than one (1) megawatt of energy for the
3 purpose of securing a blockchain protocol;

4 6. "Discriminatory rates" means electricity rates substantially
5 higher from other industrial uses of electricity in similar
6 geographic areas;

7 7. "Home digital asset mining" means using digital asset mining
8 in an area zoned for residential use;

9 8. "Node" means a computational device which contains and
10 updates a copy of a blockchain;

11 9. "Self-hosted wallet" means a digital interface used to
12 secure and transfer digital assets and under which the owner of the
13 digital asset retains independent control over the digital assets
14 that are secured by such digital interface;

15 10. "Hardware wallet" means a physical device that is not
16 continuously connected to the Internet and allows an individual to
17 secure and transfer digital assets and under which the owner of the
18 digital assets retains independent control over the digital assets;

19 11. "Staking" means the act of committing digital assets for a
20 period of time to validate and secure a specific blockchain
21 protocol; and

22 12. "Staking as a service" means the provision of technical
23 staking services, including the operation of nodes and the
24

1 associated infrastructure, necessary to facilitate participation in
2 blockchain protocols' consensus mechanisms.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 101 of Title 75A, unless there
5 is created a duplication in numbering, reads as follows:

6 A. The government of Oklahoma shall not prohibit, restrict, or
7 otherwise impair the ability of an individual to:

8 1. Use digital assets to purchase legal goods or services; and

9 2. Self-custody digital assets using a self-hosted wallet or a
10 hardware wallet.

11 B. Digital assets used as a method of payment may not be
12 subject to any additional tax, withholding, assessment, or charge by
13 the state or local government that is based solely on the use of the
14 digital asset as the method of payment.

15 C. This section shall not prohibit the state or a local
16 government from imposing or collecting a tax, withholding,
17 assessment, or charge that would otherwise be offered if the
18 transaction had taken place with United States legal tender.

19 SECTION 4. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 102 of Title 75A, unless there
21 is created a duplication in numbering, reads as follows:

22 A. It shall be legal in the State of Oklahoma to participate in
23 home digital asset mining as long as the person engaging in home
24 digital asset mining complies with all local noise ordinances.

1 B. A political subdivision shall place no specific limit on
2 sound decibels generated from home digital asset mining other than
3 current limits set for sound pollution enacted by the political
4 subdivision.

5 C. It shall be legal in the State of Oklahoma to have a digital
6 asset mining business in any area that is zoned for industrial use.

7 D. A political subdivision shall place no specific limit on
8 sound decibels generated from a digital asset mining business other
9 than limits they set for sound pollution which apply to industrial
10 zoned areas generally.

11 E. A political subdivision shall not be able to impose any
12 other requirements on a digital asset mining business that is also
13 not a requirement for data centers in its area of jurisdiction.

14 F. A political subdivision shall not be able to change the
15 zoning of a digital asset mining business without going through the
16 proper notice and comment.

17 G. A digital asset mining business shall be able to appeal a
18 change in zoning to the proper court of jurisdiction. A judge shall
19 reject such a change in zoning if it was done to discriminate
20 against a digital asset mining business.

21 H. The Oklahoma Corporation Commission shall not establish a
22 rate schedule for digital asset mining that creates discriminatory
23 rates for digital asset mining businesses.

24

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 103 of Title 75A, unless there
3 is created a duplication in numbering, reads as follows:

4 A. Anyone engaged in home digital asset mining, or digital
5 asset mining business, staking, or staking as a service shall not be
6 required to obtain a money transmitter license under Section 1513 of
7 Title 6 of the Oklahoma Statutes.

8 B. It shall be legal in the State of Oklahoma to operate a node
9 for the purpose of connecting to a blockchain protocol or a protocol
10 built on top of a blockchain protocol and transferring digital
11 assets on a blockchain protocol or to participate in staking on a
12 blockchain protocol.

13 C. Operating a node or series of nodes on a blockchain protocol
14 shall not require an individual or business to obtain a money
15 transmitter license under Section 1513 of Title 6 of the Oklahoma
16 Statutes.

17 D. Notwithstanding any other provision of law, anyone engaged
18 in digital asset mining, operating a node or series of nodes on a
19 blockchain network, or providing digital asset mining or staking as
20 a service for individuals or other businesses shall not face
21 liability related to a specific transaction merely by validating
22 that transaction.

23

24

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 104 of Title 75A, unless there
3 is created a duplication in numbering, reads as follows:

4 Nothing in this title restricts, impedes, limits, exempts,
5 and/or excepts any person, entity, transaction, or conduct from the
6 jurisdiction authorized in Title 71 of the Oklahoma Statutes to the
7 Oklahoma Department of Securities.

8 SECTION 7. This act shall become effective November 1, 2024.

9 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE
10 April 1, 2024 - DO PASS

11
12
13
14
15
16
17
18
19
20
21
22
23
24