

Session 123 - (2019-2020)

H 4351 General Bill, By Clemmons, G.R. Smith, Garvin and Jones

Similar (S 0738)

Summary: SC Blockchain Industry Empowerment Act

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE "SOUTH CAROLINA BLOCKCHAIN INDUSTRY EMPOWERMENT ACT OF 2019" IN ORDER TO ESTABLISH THIS STATE AS AN INCUBATOR FOR TECH INDUSTRIES SEEKING TO DEVELOP INNOVATION BY USING BLOCKCHAIN TECHNOLOGY; BY ADDING SECTION 33-6-245 SO AS TO FURTHER PROVIDE FOR THE CONSTRUCTION OF TERMS RELATING TO STOCK AND CERTIFICATE TOKENS; TO AMEND SECTION 33-6-250, RELATING TO THE FORM AND CONTENT OF CORPORATE STOCK CERTIFICATES, SO AS TO AUTHORIZE CORPORATIONS TO ISSUE CERTIFICATE TOKENS IN LIEU OF STOCK CERTIFICATES; BY ADDING CHAPTER 47 TO TITLE 34 SO AS TO PROVIDE THAT A PERSON WHO DEVELOPS, SELLS, OR FACILITATES THE EXCHANGE OF AN OPEN BLOCKCHAIN TOKEN IS NOT SUBJECT TO SPECIFIED SECURITIES AND MONEY TRANSMISSION LAWS, AND TO PROVIDE SPECIFIED VERIFICATION AUTHORITY TO THE SECRETARY OF STATE AND BANKING COMMISSIONER; BY ADDING CHAPTER 49 TO TITLE 34 SO AS TO CREATE THE FINANCIAL TECHNOLOGY SANDBOX FOR THE TESTING OF FINANCIAL PRODUCTS AND SERVICES IN SOUTH CAROLINA; TO AUTHORIZE LIMITED WAIVERS OF SPECIFIED PROVISIONS OF LAW UNDER CERTAIN CONDITIONS; TO ESTABLISH STANDARDS AND PROCEDURES FOR SANDBOX APPLICATIONS, OPERATIONS, AND SUPERVISION; TO AUTHORIZE RECIPROCITY AGREEMENTS WITH OTHER REGULATORS; TO REQUIRE CRIMINAL HISTORY BACKGROUND CHECKS; TO REQUIRE THE CREATION OF FINANCIAL TECHNOLOGY INNOVATION ACCOUNTS TO BE USED FOR SPECIAL PURPOSES; TO REQUIRE A CONSUMER PROTECTION BOND; AND TO SPECIFY STANDARDS FOR THE SUSPENSION AND REVOCATION OF A SANDBOX AUTHORIZATION; BY ADDING CHAPTER 51 TO TITLE 34 SO AS TO SPECIFY THAT DIGITAL ASSETS ARE PROPERTY WITHIN THE UNIFORM COMMERCIAL CODE, TO AUTHORIZE SECURITY INTERESTS IN DIGITAL ASSETS, TO ESTABLISH AN OPT-IN FRAMEWORK FOR BANKS TO PROVIDE CUSTODIAL SERVICES FOR DIGITAL ASSET PROPERTY AS CUSTODIANS, TO SPECIFY STANDARDS AND PROCEDURES FOR CUSTODIAL SERVICES, TO CLARIFY THE JURISDICTION OF SOUTH CAROLINA COURTS RELATING TO DIGITAL ASSETS, TO AUTHORIZE A SUPERVISION FEE, AND TO PROVIDE FOR OTHER RELATED PROVISIONS TO DIGITAL ASSETS; TO AMEND SECTION 35-11-105, RELATING TO DEFINITIONS UNDER THE SOUTH CAROLINA ANTI-MONEY LAUNDERING ACT, SO AS TO DEFINE THE TERM "VIRTUAL CURRENCY"; AND TO AMEND SECTION 35-11-110, RELATING TO MATTERS AND TRANSACTIONS TO WHICH THE ANTI-MONEY LAUNDERING ACT DOES NOT APPLY, SO AS TO PROVIDE THAT THE ACT DOES NOT APPLY TO BUYING, SELLING, ISSUING, OR TAKING CUSTODY OF PAYMENT INSTRUMENTS OR STORED VALUE IN THE FORM OF VIRTUAL CURRENCY OR RECEIVING VIRTUAL CURRENCY FOR TRANSMISSION TO A LOCATION WITHIN OR OUTSIDE THE UNITED STATES BY ANY MEANS.

03/28/19 House Introduced and read first time (House Journal-page 47)

03/28/19 House Referred to Committee on Ways and Means (House Journal-page 47)

01/14/20 House Member(s) request name added as sponsor: Jones