S-1624.2

SUBSTITUTE SENATE BILL 5638

State of Washington 66th Legislature 2019 Regular Session

By Senate Environment, Energy & Technology (originally sponsored by Senators Brown, Rivers, Becker, and Short)

READ FIRST TIME 02/20/19.

1 AN ACT Relating to recognizing the validity of distributed ledger 2 technology; and adding a new chapter to Title 19 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> Sec. 1. The legislature intends to encourage the development of distributed ledger technology. It further intends for this chapter to comply with 15 U.S.C. Sec. 7002 and here makes specific reference to chapter 96 of Title 15 of the United States Code.

9 <u>NEW SECTION.</u> Sec. 2. The definitions in this section apply 10 throughout this chapter unless the context clearly requires 11 otherwise.

12 (1) "Blockchain" means a cryptographically secured, 13 chronological, and decentralized consensus ledger or consensus 14 database maintained via internet, peer-to-peer network, or other 15 similar interaction.

16 (2) "Distributed ledger technology" means any distributed ledger 17 protocol and supporting infrastructure, including blockchain, that 18 uses a distributed, decentralized, shared, and replicated ledger.

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1 (3) "Electronic record" means a record generated, communicated, 2 received, or stored by electronic means for use in an information 3 system or for transmission from one information system to another.

<u>NEW SECTION.</u> Sec. 3. An electronic record may not be denied legal effect, validity, or enforceability solely because it is generated, communicated, received, or stored using distributed ledger technology.

8 <u>NEW SECTION.</u> Sec. 4. Sections 1 through 3 of this act 9 constitute a new chapter in Title 19 RCW.

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