STATE OF NEW YORK

5621--B

Cal. No. 764

2023-2024 Regular Sessions

IN SENATE

March 9, 2023

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Ethics and Internal Governance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, substituted by Assembly Bill No. 2873A, substitution reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public officers law, in relation to reporting of digital assets on the annual statement of financial disclosure

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 3 of section 73-a of the public officers law is amended by adding a new paragraph 16-a to read as follows:

16-a. List below the name and market value of digital assets held by the reporting individual or such individual's spouse or domestic partner in EXCESS of $1,000 at the close of the taxable year last occurring prior to the date of filing. Whenever an interest in digital assets exists through a beneficial interest in a trust, the digital assets held in such trust shall be listed ONLY IF the reporting individual has knowledge thereof except where the reporting individual or the reporting individual's spouse or domestic partner has transferred assets to such trust for his or her benefit in which event such digital assets shall be listed unless they are not ascertainable by the reporting individual because the trustee is under an obligation or has been instructed in writing not to disclose the contents of the trust to the reporting individual. The digital assets of which the reporting individual or the reporting individual's spouse or domestic partner is the owner of record but in which such individual or the reporting individual's spouse or domestic partner has no beneficial interest shall not be listed. Also list digital assets owned for investment purposes by a corporation more

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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than fifty percent (50%) of the stock of which is owned or controlled by the reporting individual or such individual's spouse or domestic partner. For purposes of this subdivision, the following terms shall have the following meanings:

(a) "Digital asset" shall mean an asset that is issued, transferred, or both, using distributed ledger or blockchain technology, including, but not limited to, digital currencies, digital coins, digital non-fungible tokens or other similar assets.

(b) "Digital currency" shall mean any type of digital unit that is used as a medium of exchange or a form of digitally stored value. Virtual currency shall be broadly construed to include digital units of exchange that: (i) have a centralized repository or administrator; (ii) are decentralized and have no centralized repository or administrator; or (iii) may be created or obtained by computing, manufacturing, or other similar effort.

(c) "Distributed ledger or blockchain technology" shall mean a ledger or database that stores shared state by maintaining it across a multiplicity of devices belonging to different entities and securing it through a combination of cryptographic and consensus protocols, where the shared state serves to authenticate, record, share, and/or synchronize transactions involving digital assets or virtual currencies.

Self/ Spouse or Domestic Partner	Type of Digital Asset	Category of Market Value as of the close of the taxable year last occurring prior to the filing of this statement (In Table II)

§ 2. This act shall take effect on the first of January next succeeding the date upon which it shall have become a law.