

---

**HOUSE COMMITTEE AMENDMENTS**

2022 Regular Session

Amendments proposed by House Committee on Commerce to Original House Bill No. 802  
by Representative Wright

---

1 AMENDMENT NO. 1

2 On page 1, line 3, change "through 1405" to "and 1402"

3 AMENDMENT NO. 2

4 On page 1, line 9, change "through 1405" to "and 1402"

5 AMENDMENT NO. 3

6 On page 1, at the end of line 5, delete "to provide"

7 AMENDMENT NO. 4

8 On page 1, at the beginning of line 6, delete "for rulemaking;"

9 AMENDMENT NO. 5

10 On page 1, delete lines 10 through 19 in their entirety and insert in lieu thereof the following:

11 "CHAPTER 22. VIRTUAL CURRENCY CUSTODY SERVICES

12 §1401. Definitions

13 As used in this Chapter, the following words have the following meanings:

14 (1) "Bank" has the same meaning as provided for in R.S. 6:2.

15 (2) "Custody services" means the role of a bank in the safekeeping and  
16 custody of various customer assets.

17 (3) "Self-assessment" means either of the following:

18 (a) A bank's voluntary, self-initiated internal assessment, audit, or review of  
19 the bank and its practices, policies, and procedures.

20 (b) A bank's voluntary, self-initiated assessment, audit, or review of the  
21 practices, policies, and procedures of a person acting under contract, directly or  
22 indirectly, as the bank's service provider, including mortgage servicers and  
23 subservicers, credit and debit card processors, and providers of loan document  
24 systems.

25 (4) "Virtual currency" means an electronic representation of value intended  
26 to be used as a medium of exchange, unit of account, or store of value. "Virtual  
27 currency" does not exist in a physical form; it is intangible and exists only on the  
28 blockchain or distributed ledger associated with a particular virtual currency. The  
29 owner of virtual currency holds cryptographic keys associated with the specific unit  
30 of virtual currency in a digital wallet, which allows the rightful owner of the virtual  
31 currency to access and utilize it.

32 §1402. Provision of virtual currency custody services

33 A. A bank may provide its customers with virtual currency custody services  
34 if the bank has adequate protocols in place to effectively manage risks and comply  
35 with applicable laws. Prior to a bank offering virtual currency custody services, the  
36 bank shall carefully examine the risks involved in offering such services through a  
37 methodical self-assessment process. If a bank decides to offer such services, the bank  
38 shall do all of the following:

39 (1) Implement effective risk management systems and controls to measure,  
40 monitor, and control relevant risks associated with custody of digital assets such as  
41 virtual currency.

- 1                   (2) Confirm that it has adequate insurance coverage for such services.
- 2                   (3) Maintain a service provider oversight program to address risks to service
- 3 provider relationships as a result of engaging in virtual currency custody services.
- 4                   B.(1) A bank may provide virtual currency custody services in either a
- 5 nonfiduciary or fiduciary capacity.
- 6                   (2) In providing such services in a nonfiduciary capacity, the bank shall act
- 7 as a bailee, taking possession of the customer's asset for safekeeping while legal title
- 8 remains with the customer. The customer shall retain direct control over the keys
- 9 associated with his virtual currency.
- 10                  (3) In providing such services in a fiduciary capacity, a bank is required to
- 11 possess trust powers as provided for in R.S. 6:731. Acting in a fiduciary capacity,
- 12 the bank shall require customers to transfer their virtual currencies to the control of
- 13 the bank by creating new private keys to be held by the bank. In its fiduciary
- 14 capacity, a bank shall have authority to manage virtual currency assets as it would
- 15 any other type of asset held in such capacity."

16  
17 AMENDMENT NO. 6

18 Delete pages 2 through 5 in their entirety.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.