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### A BILL FOR AN ACT

RELATING TO DIGITAL CURRENCY.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that it is necessary to 2 protect a person's right to choose whether to participate in a 3 digital currency system and to ensure that the people of the State are not coerced into adopting digital currencies against 4 5 their will. This Act therefore seeks to safeguard any person's choice, privacy, and security and maintain a fair and inclusive 6 7 financial system that respects the diverse needs and preferences 8 of all persons.

9 The purpose of this Act is to prohibit the State from10 requiring any person to adopt or use digital currency.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

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#### "CHAPTER

15 PROTECTION OF INDIVIDUAL CHOICE IN DIGITAL CURRENCY USAGE
 16 § -1 Definitions. As used in this chapter:



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"Digital currency" means any form of electronic or virtual
 currency, including cryptocurrency, central bank digital
 currency, and any other similar digital payment system.
 "Person" means any individual or organization, including

5 businesses and companies.

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6 § -2 Individual choice in digital currency usage. Every
7 person shall have the right to choose whether to participate in
8 a digital currency system and shall retain the freedom to
9 transact and store value using traditional fiat currency,
10 physical cash, or any other legal means of payment.

11 -3 Prohibition of forced digital currency adoption. S 12 No government entity shall mandate or coerce a person into 13 adopting or using a digital currency against the person's will. 14 The State shall not require a person to possess or use digital currency in any financial transaction, tax payment, or other 15 16 legal obligation. No government entity shall deny a person 17 access to a public service, benefit, or protected right solely 18 based on the person's non-participation in a digital currency 19 system.

20 § -4 Protection of privacy and security. A person who
21 chooses not to participate in a digital currency system shall



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1 not be subject to additional surveillance, monitoring, or 2 scrutiny by any government entity. The State shall ensure the 3 privacy and security of a person's financial transactions and 4 personal information regardless of the person's participation in 5 a digital currency system.

6 § -5 Public awareness and education. The State shall
7 promote public awareness and education regarding the benefits,
8 risks, and potential implications of digital currencies through
9 unbiased information sources to allow persons to make informed
10 decisions relating to participation in a digital currency
11 system.

12 § -6 Private right of action. Nothing in this chapter 13 shall be construed to preclude any person alleging a grievance 14 as a result of a violation of this chapter from maintaining a 15 civil action to petition a court to issue an injunction or grant 16 other equitable relief appropriate to ensure substantial 17 compliance with or to enforce this chapter. Nothing in this 18 section shall restrict any right that any person may have to 19 assert any other claim or bring any other action."

20 SECTION 3. If any provision of this Act, or the21 application thereof to any person or circumstance, is held

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invalid, the invalidity does not affect other provisions or
 applications of the Act that can be given effect without the
 invalid provision or application, and to this end the provisions
 of this Act are severable.

5 SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY: Jyn Jalotto



### **Report Title:** Digital Currency; Protection of Choice; Individuals; Organizations; Businesses; Companies

**Description:** Prohibits the State from requiring any person to adopt or use digital currency.

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