

**PROHIBITION OF PRODUCTION OF PRIVATE KEYS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Trevor Lee**

Senate Sponsor: \_\_\_\_\_

**LONG TITLE**

**General Description:**

This bill provides protection for private personal digital data.

**Highlighted Provisions:**

This bill:

- ▶ defines terms; and
- ▶ provides protection to a person from being compelled to produce the person's private electronic key that provides access to the person's digital assets, identity, or other interest.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**13-62-101**, as enacted by Laws of Utah 2022, Chapter 448

ENACTS:

**13-62-103**, Utah Code Annotated 1953

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **13-62-101** is amended to read:



28           **13-62-101. Definitions.**

29           As used in this chapter:

30           (1) "Agent" means a person who is authorized to act on behalf of an owner with respect  
31 to a digital asset.

32           (2) "Control" means:

33           (a) an owner or an agent has the exclusive legal authority to conduct a transaction  
34 relating to the digital asset, including by means of a private key or the use of a multi-signature  
35 arrangement the owner or agent authorizes; or36           (b) a secured party has created a smart contract [~~which~~] that gives the secured party  
37 exclusive legal authority to conduct a transaction relating to a digital security.38           (3) (a) "Digital asset" means a representation of economic, proprietary, or access rights  
39 that is stored in a computer readable format.

40           (b) "Digital asset" includes:

41           (i) a digital user asset; or

42           (ii) a digital security.

43           (4) "Digital security" means a digital asset [~~which~~] that constitutes a security, as that  
44 term is defined in Section [70A-8-101](#).45           (5) (a) "Digital user asset" means a digital asset that is used or bought primarily for  
46 consumptive, personal, or household purposes.

47           (b) "Digital user asset" includes an open blockchain token.

48           (c) "Digital user asset" does not include a digital security.

49           (6) "Multi-signature arrangement" means a system of access control relating to a digital  
50 asset for the purposes of preventing unauthorized transactions relating to the digital asset, in  
51 which two or more private keys are required to conduct a transaction.52           (7) "Private key" means a unique element of cryptographic data[~~, which~~] that is:

53           (a) held by a person;

54           (b) paired with a [~~unique, publicly available element of cryptographic data~~] public key;

55 and

56           (c) associated with an algorithm that is necessary to carry out an encryption or  
57 decryption required to execute a transaction.58           (8) "Public key" means a unique element of cryptographic data that is:

- 59 (a) publicly available;
- 60 (b) paired with a private key that is held by the owner of the public key; and
- 61 (c) associated with an algorithm that is necessary to carry out an encryption or
- 62 decryption required to execute a transaction.

63 ~~[(8)]~~ (9) "Smart contract" means a transaction [~~which~~] that is comprised of code, script,  
64 or programming language that executes the terms of an agreement, and which may include  
65 taking custody of and transferring a digital asset, or issuing executable instructions for these  
66 actions, based on the occurrence or nonoccurrence of specified conditions.

67 Section 2. Section **13-62-103** is enacted to read:

68 **13-62-103. Protection of private keys.**

69 (1) (a) Except as provided in Subsection (1)(b), a person may not be compelled to  
70 produce a private key, or any components that allow the derivation of a private key, or make a  
71 private key known to any other person in any civil, criminal, administrative, legislative, or  
72 other proceeding in the state that relates to a digital asset, digital identity, or other interest or  
73 right to which the private key provides access.

74 (b) A person may be compelled in a civil, criminal, administrative, legislative, or other  
75 lawful proceeding in the state to produce a private key if a public key is unavailable or unable  
76 to disclose the information requested to be obtained.

77 (2) A person may be compelled in a lawful proceeding to:

78 (a) produce, sell, transfer, convey, or disclose a digital asset, digital identity, or other  
79 interest or right to which a private key provides access; or

80 (b) disclose information about the digital asset, digital identity, or other interest or  
81 right.

82 Section 3. **Effective date.**

83 This bill takes effect on May 1, 2024.