

Wisconsin Legislative Council

Study Committee on Cryptocurrency

October 15, 2026

Steve Weise

Proskauer Rose LLP

Outline

- The Uniform Commercial Code
- Policy objectives of the 2022 Amendments
- Drafting process
- Adoptions
- Key provisions

The Uniform Commercial Code

- Joint project of the Uniform Law Commission and the American Law Institute since soon after WW II
- UCC covers sales and leases of goods, notes and checks, letters of credit, warehouse receipts, transfers of securities, and secured transactions involving personal property
- Adopted in every state, including Wisconsin (Chapters 401-411)
- 2022 Amendments would add coverage of certain kinds of digital assets, including cryptocurrency

Goals of 2022 Amendments

- Update the UCC to address emerging technologies, such as cryptocurrency, distributed ledger technology, and other digital assets
- Create a more efficient and cost-effective method of financing accounts receivable in digital form and other payment rights in digital form
- Overall to facilitate electronic commerce
- UCC takes no position in favor of or against use of digital assets, such as cryptocurrency and government-based digital currency

State Enactments (E) and Introductions (I) of 2022 UCC Amendments as of October 10, 2026

State Enactments (E) and Introductions (I)

Alabama (E)	Kentucky (E)	North Carolina (E)
Alaska (E)	Louisiana (E)	North Dakota (E)
Arkansas (E)	Maine (E)	Ohio (E)
California (E)	Maryland (I)	Oklahoma (E)
Colorado (E)	Massachusetts (I)	Oregon (E)
Connecticut (E)	Michigan (I)	Pennsylvania (E)
Delaware (E)	Minnesota (E)	Rhode Island (E)
District of Columbia (E)	Mississippi (I)	South Carolina (I)
Florida (E)	Montana (E)	South Dakota (E)
Georgia (E)	Nebraska (E)	Tennessee (E)
Hawaii (E)	Nevada (E)	Utah (E)
Illinois (E)	New Hampshire (E)	Vermont (E)
Indiana (E)	New Mexico (E)	Virginia (E)
Iowa (E)	New York (E)	Washington State (E)

Drafting process

- Drafting committee made up of members from Uniform Law Commission and American Law Institute
- Open meetings
 - 300+ observers from digital industries and legal institutions
 - Consumer representatives

Key concepts – real time transactions for certain digital assets

- Create rules for digital assets comparable to those for securities and negotiable instruments
- Instead of slow process of searching for financing statements at Secretary of State, can have transactions in real time through use of digital platforms

Key concept of “controllable electronic record” (CER)

- Can cover wide range of digital assets, including cryptocurrency and electronic payment rights
- Buyer or holder of security interest in covered digital assets can take free of other interests in particular circumstances

Key concept of “control”

- Method of “perfecting” a security interest in an intangible asset
 - Analogous to taking possession of a tangible asset, such as a tractor or a stock certificate
 - For example, hold cryptocurrency in secured party’s “wallet” at a provider
- Part of special priority rules for CERs
- Can be checked and confirmed almost instantaneously
- “Field-tested” in the UCC starting in early ’90s for securities accounts, deposit accounts, warehouses receipts, and other intangible assets

Wrap up

- Will promote transactions in digital assets
- Carefully prepared
- Uses tried and true concepts
- Already widely adopted in U.S.