



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-3958/1

ARG:cjs

2023 ASSEMBLY BILL 725

December 6, 2023 - Introduced by Representatives ROZAR, BODDEN, O'CONNOR, ALLEN, ARMSTRONG, BEHNKE, BINSFELD, BROOKS, GOEBEN, MURPHY, PENTERMAN, RETTINGER, SCHMIDT and BRANDTJEN, cosponsored by Senators TOMCZYK, NASS and BALLWEG. Referred to Committee on Financial Institutions.

AN ACT *to amend* 20.905 (1), 138.01 and 401.201 (2) (m); and *to create* 401.201

(2) (es) of the statutes; **relating to:** central bank digital currency.

Analysis by the Legislative Reference Bureau

This bill prohibits the state from accepting payment in the form of central bank digital currency (CBDC). The bill defines CBDC as a digital currency issued, authorized, or adopted by the Federal Reserve System or a federal agency that is a liability of the Federal Reserve System and is directly available to the general public. The bill also specifies that a CBDC is not money for purposes of the state's Uniform Commercial Code and is not money of account of the state.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 20.905 (1) of the statutes is amended to read:

20.905 (1) MANNER OF PAYMENT. Payments to the state may be made in legal tender, postal money order, express money order, bank draft, or certified check, but may not be made in central bank digital currency, as defined in s. 401.201 (2) (es).

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Payments to the state may also be made by personal check or individual check drawn in the ordinary course of business unless otherwise required by individual state agencies. Payments to the state made by a debit or credit card approved by the secretary of administration or his or her designee may be accepted by state agencies. Prior to authorizing the use of a card, the secretary of administration or his or her designee shall determine how any charges associated with the use of the card shall be paid, unless the method of payment of such charges is specified by law. Unless otherwise specifically prohibited by law, payments to the state may be made by electronic funds transfer.

SECTION 2. 138.01 of the statutes is amended to read:

138.01 Money. The money of account of this state shall be the dollar, cent and mill; and all accounts in public offices, and other public accounts, and, except as provided in ss. 806.30 to 806.44, all proceedings in courts shall be kept and had in conformity to this regulation. Central bank digital currency, as defined in s. 401.201 (2) (es), regardless of how denominated, is not money of account of this state.

SECTION 3. 401.201 (2) (es) of the statutes is created to read:

401.201 (2) (es) “Central bank digital currency” means a digital currency, digital medium of exchange, or digital monetary unit of account issued, authorized, or adopted by the federal reserve system or a federal agency that is a liability of the federal reserve system and is directly available to the general public.

SECTION 4. 401.201 (2) (m) of the statutes is amended to read:

401.201 (2) (m) “Money” means a medium of exchange that is currently

ASSEMBLY BILL 725**SECTION 4**

authorized or adopted by a domestic or foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between 2 or more countries. The term does not include a central bank digital currency.

(END)