

# HOUSE BILL NO. 4511

May 21, 2025, Introduced by Reps. Posthumus, McFall, Farhat, Aragona, Kunse, T. Carter, Woolford and Bruck and referred to Committee on Communications and Technology.

A bill to prohibit the banning, provision of permitting or licensure requirements, or provision of other impairments of or for the holding of digital assets; to prohibit the advocacy or support through certain actions by certain state governmental officers and entities of a central bank digital currency by the United States government; to prohibit the imposition of prohibitions on the operation of certain nodes related to blockchain protocols, certain transfers of digital assets on blockchain protocols, or the participation in staking on certain blockchain protocols; to prohibit certain civil liability; and to provide for the powers and

duties of certain state and local governmental officers and entities.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. (1) Subject to provisions in the Michigan penal code,  
2 1931 PA 328, MCL 750.1 to 750.568, this state or any political  
3 subdivision of this state shall not do any of the following with  
4 regard to digital assets:

5       (a) Ban the holding of digital assets.

6       (b) Require a permit or license for the holding of digital  
7 assets.

8       (c) Impose any other impairment for the holding of digital  
9 assets.

10       (d) Impose any additional tax, withholding, assessment, or  
11 charge that is based solely on the use of the digital asset as the  
12 method of payment. This subdivision does not prohibit this state  
13 from imposing a tax, withholding, assessment, or charge that would  
14 otherwise be imposed if the transaction had taken place with United  
15 States legal tender.

16       (2) An agency or department of this state shall not advocate  
17 for or support, including by issuing a memorandum or official  
18 statement of support from the agency or department or its  
19 designees, the testing, adoption, or implementation of a central  
20 bank digital currency by the United States government.

21       (3) Subject to provisions in the Michigan penal code, 1931 PA  
22 328, MCL 750.1 to 750.568, this state or any political subdivision  
23 of this state shall not prohibit any of the following:

24       (a) The operation of a node for the purpose of connecting to a  
25 blockchain protocol or a protocol built on top of a blockchain  
26 protocol.

1 (b) The transfer of digital assets on a blockchain protocol.

2 (c) The participation in staking on a blockchain protocol.

3 (4) A person that only validates a transaction for digital  
4 asset mining, the operation of a node or series of nodes on a  
5 blockchain network, or the provision of digital asset mining or  
6 staking services for persons is not civilly liable.

7 (5) As used in this section:

8 (a) "Blockchain" means data that is shared across a network to  
9 create a ledger of verified transactions or information among  
10 network participants linked using cryptography to maintain the  
11 integrity of the ledger and to execute other functions, and  
12 distributed among network participants in an automated fashion to  
13 concurrently update network participants on the state of the ledger  
14 and any other functions.

15 (b) "Blockchain protocol" means any executable software  
16 deployed to a blockchain composed of source code that is publicly  
17 available and accessible, including a smart contract or any network  
18 of smart contracts.

19 (c) "Consensus mechanism" means a protocol or set of protocols  
20 that bring all nodes of a blockchain network into agreement to  
21 verify the state of a digital ledger.

22 (d) "Digital asset" means virtual currency, cryptocurrencies,  
23 and stablecoins.

24 (e) "Digital asset mining" means using electricity to power a  
25 computer or node for the purpose of securing a blockchain network.

26 (f) "Holding" means possession, including, but not limited to,  
27 electronic possession.

28 (g) "Node" means a computational device that contains and  
29 updates a copy of a blockchain.

- 1           (h) "Smart contract" means a self-executing contract or  
2 agreement that is stored on a blockchain network that executes  
3 automatically when the contract's conditions are met.
- 4           (i) "Staking" means using a node to lock digital assets in  
5 order to operate the consensus mechanism of a blockchain protocol.