

HOUSE BILL 859

I1, C1

6lr1713
CF 6lr1041

By: **Delegates Boafu, Qi, and Amprey**

Introduced and read first time: February 4, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions – Digital Assets and Digital Asset Staking – Regulation**
3 **(Maryland Financial Innovation Act of 2026)**

4 FOR the purpose of prohibiting certain regulation of certain activities involving digital
5 assets by an agency or other instrumentality of the State or a political subdivision of
6 the State; clarifying that the provision of digital asset staking as a service is excluded
7 from a certain definition and certain filing and registration requirements under the
8 Maryland Securities Act; and generally relating to digital asset regulation.

9 BY adding to
10 Article – Financial Institutions
11 Section 12–1301 through 12–1304 to be under the new subtitle “Subtitle 13. Digital
12 Assets and Digital Asset Staking”
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2025 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
16 That the Laws of Maryland read as follows:

17 **Article – Financial Institutions**

18 **SUBTITLE 13. DIGITAL ASSETS AND DIGITAL ASSET STAKING.**

19 **12–1301.**

20 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
21 **INDICATED.**

22 **(B) “BLOCKCHAIN” MEANS DATA THAT IS:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(1) SHARED ACROSS A PEER-TO-PEER NETWORK TO CREATE A LEDGER OF VERIFIED TRANSACTIONS AND OTHER INFORMATION, LINKED TOGETHER USING CRYPTOGRAPHY TO MAINTAIN THE INTEGRITY OF THE LEDGER AND TO EXECUTE OTHER FUNCTIONS; AND

(2) DISTRIBUTED AMONG NETWORK PARTICIPANTS IN AN AUTOMATED FASHION TO CONCURRENTLY UPDATE NETWORK PARTICIPANTS ON THE STATE OF THE LEDGER AND OTHER FUNCTIONS.

(C) “BLOCKCHAIN PROTOCOL” MEANS A DECENTRALIZED PROTOCOL THAT IS DEPLOYED TO A BLOCKCHAIN.

(D) “DECENTRALIZED PROTOCOL” MEANS AUTONOMOUS COMPUTER SOFTWARE EXECUTED WITHOUT HUMAN INTERVENTION ACCORDING TO RULES ALTERED BY A PREDETERMINED MECHANISM TO FACILITATE THE TRANSFER OF DATA TO BE BROADCAST TO NODES.

(E) “DIGITAL ASSET” MEANS A VIRTUAL CURRENCY INCLUDING CRYPTOCURRENCY, STABLECOINS, FUNGIBLE TOKENS, NONFUNGIBLE TOKENS, AND OTHER DIGITAL REPRESENTATIONS OF VALUE USED AS A MEDIUM OF EXCHANGE, UNIT OF ACCOUNT, OR STORE OF VALUE.

(F) “HARDWARE WALLET” MEANS A PHYSICAL DEVICE, AND ITS ASSOCIATED KEYS, THAT:

(1) IS NOT CONTINUOUSLY CONNECTED TO THE INTERNET; AND

(2) ALLOWS A PERSON TO SECURE, TRANSFER, AND RETAIN INDEPENDENT CONTROL OVER A DIGITAL ASSET.

(G) (1) “NODE” MEANS SOFTWARE RUN ON A COMPUTER THAT:

(I) COMMUNICATES WITH OTHER DEVICES OR PARTICIPANTS ON A BLOCKCHAIN TO MAINTAIN CONSENSUS AND INTEGRITY OF THE BLOCKCHAIN;

(II) CREATES AND VALIDATES DATA ON A BLOCKCHAIN; OR

(III) CONTAINS AND UPDATES A COPY OF A BLOCKCHAIN.

(2) “NODE” DOES NOT INCLUDE COMPUTER SOFTWARE THAT EXERCISES DISCRETION OVER A TRANSACTION INITIATED BY THE END USER OF A BLOCKCHAIN PROTOCOL.

1 **(H) “SELF-HOSTED WALLET” MEANS A DIGITAL INTERFACE, AND ITS**
2 **ASSOCIATED KEYS, THAT ALLOWS A PERSON TO SECURE, TRANSFER, AND RETAIN**
3 **INDEPENDENT CONTROL OVER A DIGITAL ASSET.**

4 **(I) “STAKING” MEANS COMMITTING A DIGITAL ASSET TO A BLOCKCHAIN TO**
5 **PARTICIPATE IN THE BLOCKCHAIN’S OPERATIONS.**

6 **(J) (1) “STAKING AS A SERVICE” MEANS THE PROVISION OF TECHNICAL**
7 **OR CUSTODIAL STAKING SERVICES BY A SERVICE PROVIDER, INCLUDING THE**
8 **OPERATION OF A NODE AND THE INFRASTRUCTURE NECESSARY TO FACILITATE**
9 **PARTICIPATION IN A BLOCKCHAIN BY THE SERVICE PROVIDER ON BEHALF OF THE**
10 **PERSON THAT OWNS THE DIGITAL ASSET BEING STAKED.**

11 **(2) “STAKING AS A SERVICE” DOES NOT INCLUDE THE PROVISION OF**
12 **SERVICES DESIGNED TO GENERATE INVESTMENT RETURNS OR OTHER INCOME ON**
13 **BEHALF OF THE PERSON THAT OWNS THE DIGITAL ASSET BEING STAKED OTHER**
14 **THAN REWARDS ISSUED BY A BLOCKCHAIN.**

15 **(K) “VALIDATION” MEANS THE PROCESS BY WHICH A BLOCKCHAIN**
16 **PROTOCOL, THROUGH ITS CONSENSUS MECHANISM, CONFIRMS THE AUTHENTICITY**
17 **AND ACCURACY OF TRANSACTIONS OR OTHER DATA ENTRIES THAT ARE THEN**
18 **RECORDED ON A BLOCKCHAIN.**

19 **(L) “VIRTUAL CURRENCY” HAS THE MEANING STATED IN § 12-1201 OF THIS**
20 **TITLE.**

21 **12-1302.**

22 **(A) AN AGENCY OR OTHER INSTRUMENTALITY OF THE STATE OR A**
23 **POLITICAL SUBDIVISION OF THE STATE MAY NOT PROHIBIT, RESTRICT, OR**
24 **OTHERWISE IMPAIR THE ABILITY OF A PERSON IN THE STATE TO:**

25 **(1) ACCEPT A DIGITAL ASSET AS A METHOD OF PAYMENT FOR A GOOD**
26 **OR SERVICE;**

27 **(2) TAKE CUSTODY OF A DIGITAL ASSET USING A SELF-HOSTED**
28 **WALLET OR HARDWARE WALLET;**

29 **(3) OPERATE A NODE FOR THE PURPOSE OF CONNECTING TO A**
30 **BLOCKCHAIN AND PARTICIPATING IN A BLOCKCHAIN;**

31 **(4) DEVELOP SOFTWARE TO DEPLOY ON A BLOCKCHAIN;**

**(5) TRANSFER DIGITAL ASSETS TO ANOTHER PERSON USING A
BLOCKCHAIN; OR**

(6) PARTICIPATE IN STAKING ON A BLOCKCHAIN.

**(B) SUBSECTION (A) OF THIS SECTION PREEMPTS ANY EXISTING
REGULATION, RULE, OR ORDINANCE THAT CONFLICTS WITH THIS SECTION.**

12-1303.

**AN OFFER TO PROVIDE OR THE PROVISION OF DIGITAL ASSET STAKING AS A
SERVICE DOES NOT CONSTITUTE THE OFFER OF OR THE SALE OF AN INVESTMENT
CONTRACT OR OTHER SECURITY UNDER THE MARYLAND SECURITIES ACT AND IS
NOT SUBJECT TO § 11-205 OR § 11-501 OF THE CORPORATIONS AND ASSOCIATIONS
ARTICLE.**

12-1304.

**THIS SUBTITLE MAY NOT BE INTERPRETED TO ABROGATE OR RESTRICT THE
AUTHORITY OF:**

**(1) THE COMMISSIONER TO REGULATE DIGITAL ASSETS UNDER THE
MARYLAND MONEY TRANSMISSION ACT; OR**

**(2) THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF
THE ATTORNEY GENERAL TO ENFORCE THE MARYLAND CONSUMER PROTECTION
ACT.**

**SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
Assembly that § 12-1303 of the Financial Institutions Article, as enacted by Section 1 of
this Act, shall be construed as a clarification of existing law.**

**SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
1, 2026.**