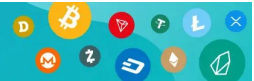


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Cryptocurrencies now recognized under commercial law in Texas

Texas House Bills 4474 and 1576 officially took effect on Sept. 1 after being signed into law by Governor Greg Abbott in June.

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Two bills aimed at furthering the adoption of cryptocurrencies and blockchain are now law in the state of Texas.

Texas House Bills 4474 and 1576, passed by both chambers in the state legislature in May and signed into law by Governor Greg Abbott in June, officially took effect on Sept. 1. H.B. 1576 establishes a blockchain working group in Texas, while H.B. 4474 amends the state's Uniform Commercial Code to recognize cryptocurrencies under commercial law.

Lee Bratcher, president of the Texas Blockchain Council, told Cointelegraph that H.B. 4474 better defines the security interests for Bitcoin ([BTC](#)) and other cryptocurrencies to "allow institutional investors to get involved with sizable investments." He added that the Texas Banking Commissioner and the Texas Department of Banking [announced](#) in June that banks with a state charter can custody cryptocurrencies under certain circumstances.

"This is positive for crypto generally because Texas became the 4th U.S. state, behind Wyoming, Rhode Island and Nebraska, to clarify the commercial law status of these assets," Wyoming-based crypto proponent Caitlin Long told Cointelegraph. "This means parties to transactions have clarity regarding their legal rights and obligations, judges have a roadmap to adjudicate disputes, and lenders know they have an enforceable lien on the crypto pledged as collateral for collateralized loans."

The Texas Blockchain Council president [told Cointelegraph in March](#) that Texas adapting commercial law to blockchain innovation and digital asset regulations could bring the state more in line with Wyoming, which has a [Digital Asset Law which went into effect](#) in July 2019. Governor Abbott has also previously [described](#) himself as a "crypto law proposal supporter" — specifically referencing H.B. 4474 — and seemed to [encourage](#) crypto mining firms to operate in Texas.

[Related: Crypto cowboys: Texas counties welcome Bitcoin miners with open arms](#)

Following China [cracking down on many crypto mining operations](#), some BTC miners have set up shop in Texas — the state is currently home to BlockCap, Riot Blockchain, and others. In addition, major supermarket chain H-E-B announced in June it would be [installing crypto ATMs](#) for its Texas stores.

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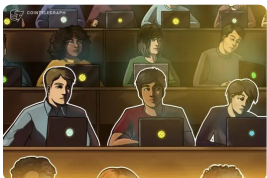
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A dark-themed banner for Scalable. The word 'scalable.' is in white on the left. To its right, the text 'Enterprise grade infrastructure for digital assets' is displayed in red and white. On the far right, there is a red-outlined button with the text 'Schedule Demo' inside.

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