H. R. 11

To promote United States competitiveness in the evolving global virtual currency marketplace.

IN THE HOUSE OF REPRESENTATIVES

Mr. Soto introduced the following bill; which was referred to the Committee on ____________________________

A BILL

To promote United States competitiveness in the evolving global virtual currency marketplace.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “U.S. Virtual Currency Market and Regulatory Competitiveness Act of 2018”.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that virtual currency could have a significant effect on the economy, and regulation of virtual currency may be important to protect investors,
deter bad actors, create market certainty, and ensure American competitiveness in an evolving global marketplace.

SEC. 3. STUDY AND REPORT ON PROMOTING AMERICAN COMPETITIVENESS IN EVOLVING GLOBAL MARKETS.

(a) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Chairman of the Commodity Futures Trading Commission, in consultation with the heads of the Securities and Exchange Commission and other relevant Federal agencies (as determined by the Chairman of the Commodity Futures Trading Commission), shall submit to the Committees on Agriculture and on Financial Services of the House of Representatives and the Committees on Agriculture, Nutrition, and Forestry and on Banking, Housing, and Urban Affairs of the Senate a report on the state of virtual markets and ways to promote American competitiveness. The report shall include the following:

(1) A brief description of—

(A) the regulation of the United States virtual currency industry, as a comparative study of the regulation of such industry in foreign countries, to demonstrate competitiveness in a global marketplace; and
(B) the potential benefits of virtual currency and blockchain technology in the United States commodities market.

(2) Recommendations for any legislative changes, if determined appropriate, needed to improve the ability of the Commodity Futures Trading Commission and other relevant Federal agencies—

(A) to promote competitiveness of the United States and United States businesses in this industry;

(B) to encourage the growth of adoption of virtual currencies in segments of the commodity market that could benefit from virtual currencies and access to transparent markets in such currencies;

(C) to clarify the virtual currencies that qualify as commodities for both existing currencies and ones that may be created in the future; and

(D) to provide a new, optional regulatory structure for virtual currency spot markets (commonly referred to as exchanges) that includes Federal licensure, market supervision, consumer protections, and preemption of State
money transmission licensing obligations for participating in spot markets.

(3) An analysis of the feasibility, cost, and potential benefit of the new regulatory structure described in subparagraphs (C) and (D) of paragraph (2).

(b) VIRTUAL CURRENCY DEFINED.—In this Act, the term “virtual currency” means a digital representation of value that does not have legal tender status and that functions as a medium of exchange, a unit of account, or a store of value.