H. R. 4234

To amend the Commodity Exchange Act with respect to the regulation of virtual currencies.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 6, 2019

Mr. SEAN PATRICK MALONEY of New York introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Commodity Exchange Act with respect to the regulation of virtual currencies.

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

SECTION 1. VIRTUAL CURRENCY.

(a) DEFINITION.—Section 1a of the Commodity Exchange Act (7 U.S.C. 1a) is amended by adding at the end the following:

“(52) VIRTUAL CURRENCY.—The term ‘virtual currency’ means a digital representation of value that does not have legal tender status and that func-
tions as a medium of exchange, a unit of account, or a store of value.”.

(b) REQUIREMENTS APPLICABLE TO BOARDS OF TRADE.—Section 5(d)(4) of such Act (7 U.S.C. 7(d)(4)) is amended—

(1) by striking all that precedes “board of trade” and inserting the following:

“(4) PREVENTION OF MARKET DISRUPTION.—

“(A) IN GENERAL.—The’’;

(2) by redesignating each of subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and moving each of such provisions 2 ems to the right; and

(3) by adding after and below the end the following:

“(B) VIRTUAL CURRENCY.—Notwithstanding paragraph (1)(B), with regard to a contract on the contract market that references a virtual currency available on a spot market platform, in order to fully comply with this paragraph, the board of trade must have—

“(i) unconstrained access to all trade and trader data regarding the virtual currency on the spot market platform; and
“(ii) the capability to provide the data to the Commission on request.”.

(c) Requirements Applicable To Swap Execution Facilities.—Section 5h(f)(4) of such Act (7 U.S.C. 7b–3(f)(4)) is amended—

(1) by striking all that precedes “swap execution facility shall” and inserting the following:

“(4) Monitoring of Trading and Trade Processing.—

“(A) In general.—The”;

(2) by redesignating each of clauses (i) and (ii) of subparagraph (A) as subclauses (I) and (II), respectively, and moving each of such provisions 2 ems to the right;

(3) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and moving each of such provisions 2 ems to the right; and

(4) by adding after and below the end the following:

“(B) Virtual Currency.—Notwithstanding paragraph (1)(B), with regard to a swap on the swap execution facility that references a virtual currency available on a spot market platform, in order to fully comply with this paragraph, the board of trade must have—
“(i) unconstrained access to all trade and trader data regarding the virtual currency on the spot market platform; and

“(ii) the capability to provide the data to the Commission on request.”.