

# Crypto Council for Innovation

July 26, 2023

Patrick McHenry  
Chairman  
House Committee on Financial Services  
2129 Rayburn House Office Building  
Washington, DC 20515

Maxine Waters  
Ranking Member  
House Committee on Financial Services  
4340 O'Neill House Office Building  
Washington, DC 20515

French Hill  
Chairman  
Subcommittee on Digital Assets,  
Financial Technology and Inclusion  
1533 Longworth House Office Building  
Washington, DC 20515

Stephen Lynch  
Ranking Member  
Subcommittee on Digital Assets,  
Financial Technology and Inclusion  
2109 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman McHenry, Ranking Member Waters, Chairman Hill, and Ranking Member Lynch:

The Crypto Council for Innovation (CCI) is pleased to support H.R. 4766, the *Clarity for Payment Stablecoins Act of 2023*. The markup of this legislation in the Financial Services Committee represents a major step towards addressing the need for additional clarity and a more defined regulatory framework for payment stablecoins in the U.S., a concern formally raised over a year ago by the President's Working Group on Financial Markets.<sup>1</sup> This bill is greatly strengthened by the many months of bipartisan negotiation which have contributed to its development. CCI believes that H.R. 4766 represents a critical legislative foundation on which we can build a regulatory regime that protects both innovation and consumers, while also maintaining stability within the U.S. financial system.

CCI has greatly appreciated the opportunity to contribute to the conversation that has gone into crafting this critical bill. CCI is a global alliance of industry leaders with a mission to communicate the benefits of crypto and Web3 and demonstrate its transformational promise. CCI members include some of the leading global companies and investors operating in the industry. They span the crypto ecosystem and share the goal of encouraging the responsible global regulation of crypto to unlock economic potential, improve lives, foster financial inclusion, protect national security, and disrupt

---

<sup>1</sup> <https://home.treasury.gov/news/press-releases/jy0454>

illicit activity. CCI and its members stand ready and willing to work with the House Financial Services Committee and its members to support efforts to establish a clear legal framework for stablecoins here in the United States.

Stablecoins are digital assets with an added economic structure that aims to stabilize their price and purchasing power.<sup>2</sup> In other words, stablecoins seek to maintain a stable value to a reference asset, such as a sovereign currency like the USD. Importantly, there are a variety of models for stablecoins that involve different decisions around underlying collateral, governance, and more. Given the variance in designs, policy-making and regulation of stablecoins requires a nuanced approach. Moreover, it is important to understand the potential use cases, benefits, and risks provided by price-stable digital assets.

As the Financial Stability Board has highlighted, “stablecoins have the potential to bring efficiencies to payments, and to promote financial inclusion.”<sup>3</sup> An emerging area of digital assets, they hold promise for a range of use cases including financial infrastructure improvements, new business models, humanitarian aid, and cross-border payments. Stablecoins are being used to solve many of the challenges associated with moving value across borders by enabling new peer-to-peer payment models and reducing burdensome costs and significant lag in the transfer of small amounts. As just one example of the promise of this innovation, last December, the United Nations High Commission for Refugees announced a program through which it has coordinated with the Stellar Development Foundation, Circle Internet Financial, and MoneyGram to use Circle's stablecoin, USD Coin (USDC), to securely distribute humanitarian assistance payments to support refugees from the war in Ukraine.<sup>4</sup>

While CCI strongly urges support for H.R. 4766, we also welcome the opportunity to continue to contribute to any efforts to further refine this bill as it makes its way through the legislative process. The Crypto Council looks forward to continuing to support the efforts of the House Financial Services Committee to advance this critical piece of legislation so that the U.S. can move forward in establishing clear rules of the road that foster innovation, provide critical protections for consumers and our financial system, and preserve the technological cutting edge of the United States.

Sincerely,



---

<sup>2</sup> [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3633542](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3633542)

<sup>3</sup>

<https://www.fsb.org/work-of-the-fsb/financial-innovation-and-structural-change/crypto-assets-and-global-stablecoins/>

<sup>4</sup>

<https://ukraine.un.org/en/211593-unhcr-launches-pilot-cash-based-intervention-using-blockchain-technology-humanitarian>

Sheila Warren  
Chief Executive Officer  
Crypto Council for Innovation