

117TH CONGRESS
2D SESSION

S. 3666

To require reports on the adoption of a cryptocurrency as legal tender in El Salvador, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 16, 2022

Mr. RISCH (for himself, Mr. MENENDEZ, and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require reports on the adoption of a cryptocurrency as legal tender in El Salvador, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Accountability for
5 Cryptocurrency in El Salvador Act” or “ACES Act”.

6 **SEC. 2. REPORTS ON ADOPTION OF CRYPTOCURRENCY AS**
7 **LEGAL TENDER IN EL SALVADOR.**

8 (a) IN GENERAL.—Not later than 60 days after the
9 date of the enactment of this Act, the Secretary of State,
10 in coordination with the heads of other relevant Federal

1 departments and agencies, shall submit to the appropriate
2 committees of Congress a report on the adoption by the
3 Government of El Salvador of a cryptocurrency as legal
4 tender.

5 (b) ELEMENTS.—The report required by subsection
6 (a) shall include the following:

7 (1) A description of the process followed by the
8 Government of El Salvador to develop and enact the
9 Bitcoin Law (Legislative Decree No. 57, Official
10 Record No. 110, Volume 431, enacted June 9,
11 2021), which provides the cryptocurrency, Bitcoin,
12 with legal tender status in El Salvador.

13 (2) An assessment of—

14 (A) the regulatory framework in El Sal-
15 vador with respect to the adoption of a
16 cryptocurrency as legal tender and the technical
17 capacity of El Salvador to effectively mitigate
18 the financial integrity and cyber security risks
19 associated with virtual-asset transactions;

20 (B) whether the regulatory framework in
21 El Salvador meets the requirements of the Fi-
22 nancial Action Task Force with respect to vir-
23 tual-asset transactions;

24 (C) the impact on individuals and busi-
25 nesses of requiring tender of Bitcoin; and

1 (D) the impact of such adoption of a
2 cryptocurrency on—

3 (i) the macroeconomic stability and
4 public finances of El Salvador, including
5 taxation;

6 (ii) the rule of law and democratic
7 governance in El Salvador;

8 (iii) the unbanked population in El
9 Salvador;

10 (iv) the flow of remittances from the
11 United States to El Salvador;

12 (v) El Salvador's relations with multi-
13 lateral financial institutions, such as the
14 International Monetary Fund and the
15 World Bank;

16 (vi) bilateral and international efforts
17 to combat transnational illicit activities;

18 (vii) El Salvador's bilateral economic
19 and commercial relationship with the
20 United States and the potential for re-
21 duced use by El Salvador of the United
22 States dollar; and

23 (viii) existing United States sanctions
24 frameworks and the potential for the use

1 of cryptocurrency to circumvent such sanc-
2 tions.

3 (3) A description of the internet infrastructure
4 of El Salvador and an assessment of—

5 (A) the degree to which cryptocurrency is
6 used in El Salvador;

7 (B) matters relating to chain of custody
8 and the potential for hacking and cybertheft of
9 cryptocurrency; and

10 (C) access to transparent and affordable
11 internet and digital infrastructure among the
12 unbanked population of El Salvador.

13 (c) PLAN TO MITIGATE RISKS TO UNITED STATES
14 FINANCIAL SYSTEM POSED BY ADOPTION OF
15 CRYPTOCURRENCY AS LEGAL TENDER IN CERTAIN
16 COUNTRIES.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the submittal of the report required by subsection
19 (a), the Secretary of State, in coordination with the
20 heads of other relevant Federal departments and
21 agencies, shall submit to the appropriate committees
22 of Congress a plan to mitigate any potential risk to
23 the United States financial system posed by the
24 adoption of a cryptocurrency as legal tender in—

25 (A) El Salvador; and

1 (B) any other country that uses the United
2 States dollar as legal tender.

3 (2) IMPLEMENTATION.—Not later than 30 days
4 after the date on which the plan is submitted under
5 paragraph (1), the Secretary of State shall com-
6 mence implementation of the plan.

7 (d) SUBSEQUENT REPORT.—Not later than 270 days
8 after the submittal of the report required by subsection
9 (a), the Secretary of State, in coordination with the heads
10 of other relevant Federal departments and agencies, shall
11 submit to the appropriate committees of Congress an up-
12 dated version of such report, including a description of any
13 significant development related to the risks to the United
14 States financial system posed by the use of a
15 cryptocurrency as legal tender in El Salvador.

16 (e) APPROPRIATE COMMITTEES OF CONGRESS DE-
17 FINED.—In this section, the term “appropriate commit-
18 tees of Congress” means—

19 (1) the Committee on Foreign Relations and
20 the Committee on Banking, Housing, and Urban Af-
21 fairs of the Senate; and

22 (2) the Committee on Foreign Affairs and the
23 Committee on Financial Services of the House of
24 Representatives.

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