

118TH CONGRESS  
1ST SESSION

# S. 3248

To prohibit money services businesses from engaging in any transaction that involves a central bank digital currency issued by the People's Republic of China, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 8, 2023

Mr. SCOTT of Florida (for himself, Mr. CRUZ, and Mrs. BLACKBURN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To prohibit money services businesses from engaging in any transaction that involves a central bank digital currency issued by the People's Republic of China, 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 “Chinese CBDC Prohi-  
5 bition Act of 2023”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1           (1) In 2021 testimony before the House Com-  
2           mittee on Financial Services, Yaya Fanusie, Adjunct  
3           Senior Fellow at the Center for a New American Se-  
4           curity, noted that the People’s Republic of China is  
5           pushing aggressively to become a global leader in fi-  
6           nancial technology, and the People’s Republic of  
7           China is in a position to launch the largest digital  
8           currency project of any major economy. Additionally,  
9           the Chinese central bank digital currency will pro-  
10          vide the Chinese Communist Party with data on its  
11          users, and bolster the social credit program of the  
12          Party, ultimately furthering the punitive control  
13          power of the Party over Chinese citizens.

14          (2) On April 28, 2021, Jerome Powell, Chair-  
15          man of the Board of Governors of the Federal Re-  
16          serve System, stated, “The [digital] currency that is  
17          being used in China is not one that would work here.  
18          It’s one that really allows the government to see  
19          every payment for which it is used in real time.”.

20          (3) According to Sir Jeremy Fleming, Director  
21          of the Government Communications Headquarters of  
22          the United Kingdom, “Control is also a major driver  
23          for Beijing as it seeks to build a centralized digital  
24          currency. Yes, it introduces efficiencies and new  
25          ways of settling payments. But the way it’s being

1 implemented allows the monitoring of citizens and it  
 2 forces companies to use the service. It might, in fu-  
 3 ture, also enable China to partially evade the sorts  
 4 of international sanctions currently being applied to  
 5 Putin’s regime in Russia.”.

6 **SEC. 3. MONEY SERVICES BUSINESSES.**

7 (a) IN GENERAL.—Subchapter II of chapter 53 of  
 8 title 31, United States Code, is amended by adding at the  
 9 end the following:

10 **“§ 5337. Money services businesses**

11 “(a) DEFINITION.—In this section, the term ‘money  
 12 services business’ has the meaning given the term in sec-  
 13 tion 1010.100 of title 31, Code of Federal Regulations.

14 “(b) TRANSACTIONS INVOLVING DIGITAL CURRENCY  
 15 OF THE PEOPLE’S REPUBLIC OF CHINA.—No money serv-  
 16 ices business may engage in any transaction, directly or  
 17 indirectly, that involves a central bank digital currency  
 18 issued by the People’s Republic of China.”.

19 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
 20 The table of sections for subchapter II of chapter 53 of  
 21 title 31, United States Code, is amended by adding at the  
 22 end the following:

“5337. Money services businesses.”.

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