

**Congress is urged by the White House to "Step Up Its Efforts" on cryptocurrency regulation** In a statement released on Friday, four top U.S. officials in the White House urged Congress to "step up its efforts" to control the cryptocurrency market. The officials, who include National Security Advisor Jake Sullivan, Cecilia Rouse, Director of the National Economic Council Brian Deese, and Director of the White House Office of Science and Technology Policy Arati Prabhakar, wrote that Congress "should expand regulators' powers to prevent misuses of customers' assets...and mitigate conflicts of interest." In the statement, Congress was also advised to enhance disclosure and transparency standards for cryptocurrency businesses, stiffen fines for breaking laws governing illicit money, and collaborate more closely with foreign law enforcement partners. Additionally, the authorities recommended against Congress "greenlight[ing] mainstream institutions, such pension funds, to leap headfirst into cryptocurrency markets" while formulating new crypto regulations. It would "be a major miscalculation" that "deepens linkages between cryptocurrencies and the larger financial system," the authorities said. Although neither the infamous LUNA stablecoin nor the now-defunct cryptocurrency exchange [FTX](#) was specifically mentioned in the statement, the effects of both loomed large over the officials' advice, which referred to 2022 as "a tough year for cryptocurrencies" plagued by the implosion of "a so-called "stablecoin" prompting a wave of insolvencies" and the subsequent collapse of "a major cryptocurrency exchange." "Some

cryptocurrency firms disobey fundamental risk controls and relevant banking requirements... Additionally, the authors stated that bitcoin platforms frequently deceive users, have conflicts of interest, give insufficient disclosures, or simply conduct fraud. The White House's worries and suggestions mirror those of other American regulators, such as Kristin Johnson, the commissioner of the Commodity Futures Trading Commission (CFTC), whom earlier this week urged Congress to give the CFTC more power to carry out due diligence on cryptocurrency acquisitions. However, Congress is not the only body tasked with regulating cryptocurrency. The Biden administration would be announcing "priorities for digital assets research development, which will enable the technology powering cryptocurrencies to safeguard consumers by default," according to the four officials, in the "coming months" they said in their statement. Protections will guarantee that new technologies are safe and advantageous to everyone and that the new digital economy benefits the majority of people rather than just a select few, they said.

**Source:** [The Pipsafe Team](#) - **Congress is urged by the White House to "Step Up Its Efforts" on cryptocurrency regulation**

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