

Cftc washington dc hearing



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Bitcoin's Long-Term Promise acknowledged by CFTC in DC Hearing

Top financial panelists sits down and decide whether Bitcoin and other alternative digital currencies are here to stay and how they should be regulated.

A meeting was held yesterday in Washington, DC, by the US Commodity Future Trading Commission (CFTC). The role of Bitcoin in the country's options regulators was discussed.

Amongst the panelists, the notable ones were Jerry Brito, executive director of Coin Center; Houman Shadab, professor of the New York Law School; Tim Byun, chief compliance officer of BitPay and President and co-founder of TeraExchange, Leonard Nuara.

Bitcoin's classification as a currency or commodity was also a pressing issue in the hearing, while all the basic elements about the long-term promises were discussed.

The session was less than two hours, but it seemed to have a positive impact and the CFTC was convinced that the role the digital currency can play in the future.

CFTC Commissioner Mark Wetjen said:

“ It just seems like based on what I have learned, some of those applications could be so compelling that it would be a real mistake for us as a commission to not make sure we are staying on top of these developments.”

David Van Wagner, the Market Oversight Chief Counsel of CFTC and Thomas Leahy, the Associate Director were also present in the hearing.

Byun of BitPay played a big role in the past as a former anti-terrorist and anti-money laundering officer for VISA.

He believes that this is a still just validation system.

Byun's reply to a commissioner who suggested that the government could put dollar on the block chain was, " You could tie a few US treasuries to the protocol, tie it as a US Treasury and let that be exchanged and validated. Because the core of bitcoin is really just a validation system"

The ever fluctuating state of the Bitcoin market was also taken into discussion in the panel. Brito thinks that there are misconception that Bitcoin is unregulated. He believes that Bitcoin receives the same consumer protection as the existing currencies.

He thinks that the regulations are up to the countries. Some counties are friendly to the system, while some are just hostile. He used the example of Russia against friendlier countries like Netherlands and the UK.

Houman Shadab of the New York Law School added that all the different regulating bodies in each countries should be mindful about the regulations.

He used the United States for example, in the US, there is the US Consumer Finance Protection Bureau, the Federal Communications Commissions and the Securities and Exchange Commission that will be playing handful roles in regulating the currencies.

The hearing was tagged as a success and the prices of digital currencies started recovering after a 1 year lowest value.