



Regulation is Coming for Crypto: What Biden's EO Means for Your Business

Insights

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President Biden signed an Executive Order today directing several federal agencies to begin focusing their efforts on the growing cryptocurrency field – a development that will surely lead to further mass adoption by ordinary Americans and amplify the need for businesses to adopt their own cryptocurrency policies and practices. The March 9 [Executive Order on Ensuring Responsible Development of Digital Assets](#) and [accompanying fact sheet](#) outline a coordinated effort he expects federal regulators to undertake, including whether the U.S. should launch its own digital currency. What do businesses need to know about this significant development and what should you do to effectively position your organization?

What Does the Executive Order Say?

It's important to first understand what Biden's EO doesn't say. The White House order does not provide clear direction on what specific regulations the administration aims to adopt. Instead, it is more of an aspirational first step aimed at lighting a fire under the agencies to let them know the time is coming for them to do something.

The EO requires various agencies to examine the following issues and provide a report on moving forward with possible formal regulatory actions:

- Move forward with “urgency on research and development” of a **central bank digital currency** – a sort of “digital dollar”
- The Commerce Department should work across the government to ensure that emerging policies protect **U.S. leadership in the crypto field**
- The Treasury Department is to report on the “future of money and payment systems,” with the goal of **promoting wider access to the financial system**
- The Justice Department is asked to examine the role of law enforcement agencies in detecting, investigating, and prosecuting **crypto-related crimes**

What's Next?

Each agency was given a deadline to complete their studies and take the next step, somewhere between 90 days and one year depending on the complexity of the task. The White House has

between 70 days and one year depending on the complexity of the task. The White House has announced it intends to move quickly to adopt regulations after the reports and recommendations are completed, so you can expect the nation's first crypto-related regulation to come online by the third quarter of this year.

What Do You Need to Do?

The EO doesn't provide any action steps that you will need to take to comply. Instead, consider this another step in the direction of widespread acceptance of cryptocurrency. With regulation comes stability and protection – and this will inevitably lead your workers and business partners to raise questions of your organization regarding your approach and policies.

You don't need to be a crypto expert to help prepare your organization. Instead, you just need to develop a quick base of knowledge and have a handy resource at your disposal when further questions arise.

- **The Basics:** If you are a complete newbie, start here. [This video](#), under two minutes, gives you a basic overview of cryptocurrency, and [this new short video](#) (just released today) provides some use cases in the H.R. space.
- **Detailed FAQs:** If you need a reference guide for deeper dives, [bookmark this page](#). Our team provides a comprehensive overview of FAQs for employers and business related to cryptocurrency and blockchain technology.
- **“Do You Pay in Bitcoin?”:** Prepare for the inevitable moment when employees, job applicants, or contractors ask [whether you permit workers to be paid in cryptocurrency](#) – a portion of their salary or bonuses – either directly or through third-party processors. Many companies will also field their first questions in 2022 about whether you provide any other crypto-related benefits, such as [crypto 401\(k\)s](#). You should begin preparing a response – recognizing that [you could be at a competitive disadvantage in the market](#) if your answer is “not interested.” Besides our [FAQs](#), [this Insight provides three considerations](#) you should keep in mind when deciding whether to blaze this new trail.
- **“Do You Accept Bitcoin?”:** Meanwhile, you will also need to have internal discussions about accepting payments in Bitcoin or another cryptocurrency. While you may not get a flood of requests from clients and vendors to be paid in crypto, there will be an uptick in clients and vendors who want to know whether this is an option.

Conclusion

Today's development provides employers all the more reason to begin evaluating these issues in a serious manner, as crypto appears to continue its way into the everyday person's life. We'll continue to monitor developments in this area, so make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information. If you have any questions, please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [Cryptocurrency and Blockchain](#)

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