



Dear Governor Noem,

I write to you today to strongly urge you to veto South Dakota House Bill 1193, which makes certain revisions to the Uniform Commercial Code (UCC)¹ including adopting a definition of the term “money”, which specifically excludes Bitcoin and other existing digital assets. While the bill excludes these decentralized assets, the bill does include as “money” government-controlled Central Bank Digital Currencies (“CBDCs”), such as China’s Digital Yuan. HB 1193 is an assault on the free-market, American innovation and ingenuity, individual liberty, and U.S. national security, and it should be vetoed.

Bitcoin and other digital assets, as well as blockchain technology, represent some of the most transformational technology since the internet for the U.S. economy, our society, and our fundamental liberties. These technologies carry the very real potential to grow our economy by trillions of dollars, and they are among the best hopes to protect our fundamental liberties to free speech, free association, and the free exchange of ideas, as well as our national security, all of which are increasingly threatened by authoritarian governments and entities.

HB 1193 defines money as “(24) “Money” means a medium of exchange that is currently authorized or adopted by a domestic or foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more countries. The term does not include an electronic record that is a medium of exchange recorded and transferable in a system that existed and operated for the medium of exchange before the medium of exchange was authorized or adopted by the government.””

Bitcoin and a multitude of other free-market digital assets are explicitly excluded from this definition of “money” as they are electronic records that are a medium of exchange recorded and transferable in a system that *existed and operated before the medium of exchange was adopted by government*. Furthermore, the first sentence of the definition permits the inclusion of CBDCs as money, because CBDCs have been authorized or adopted by certain

¹ The Uniform Commercial Code (UCC) is a comprehensive set of laws governing all commercial transactions in the United States. It is not a federal law, but a uniformly adopted state law...Because the UCC has been universally adopted, businesses can enter into contracts with confidence that the terms will be enforced in the same way by the courts of every American jurisdiction...the UCC has been called “the backbone of American commerce.” <https://www.uniformlaws.org/acts/ucc>.



governments, including authoritarian nations such as China, which are actively using CBDCs to attack and limit the freedoms of their people.

Again, I urge you to please veto HB 1193 as it inconsistent with the very principles that our country was founded upon, the principles that we hold so dear.

Respectfully,

David McIntosh
President, Club for Growth