



United States Senate
WASHINGTON, DC 20510-0905

BILL NELSON
FLORIDA

March 12, 2018

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Secretary Mnuchin:

I am concerned by recent reports that rogue regimes in Russia and Venezuela seek to use cryptocurrencies to avoid U.S. and international sanctions. Venezuela's now dictator, Nicolás Maduro, reportedly intends to use blockchain technology to create a so-called Petro to "overcome the financial blockade."

Maduro must not be permitted to circumvent increasing economic sanctions. He is responsible for persistent human rights violations, political repression and the jailing of opponents, undermining democratic institutions, corruption, and widespread economic deprivation.

Maduro's regime is a criminal one and targeting the money that fuels it is critical—especially as he appears to be increasingly desperate for financing. Cryptocurrencies potentially offer Maduro and other bad actors the means to avoid banks and other intermediaries to hide their financial activity.

To help maintain financial pressure on Maduro—and the strength of U.S. sanctions—I respectfully request that you provide written responses to the following questions:

1. What is the Department of the Treasury's Office of Foreign Assets Control (OFAC) doing to prevent Maduro and other sanctioned entities from avoiding or undermining U.S. sanctions by using or creating cryptocurrencies?
2. What does the Department plan to do to crack down on rogue cryptocurrency exchanges that flaunt U.S. sanctions?
3. Is the Department working with U.S. financial institutions and companies to prevent them from being used, directly or indirectly, in schemes to avoid sanctions, including the use of cryptocurrencies?
4. Is the Department working with foreign counterparts to detect and block efforts to undermine U.S. sanctions through financial innovations like cryptocurrency?

5. Is there a need for new statutory authority to better combat efforts to undermine or avoid U.S. sanctions?

I urge you to impose tough economic sanctions on the Maduro regime. Sanctions are a powerful tool, and I look forward to working with you to strengthen their effect globally.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Bill Nelson". The signature is written in a cursive style with a long, sweeping tail.