



AMENDMENT NO. 35

Calendar No. \_\_\_\_\_

Purpose: To improve the bill.

**IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.**

**H. R. 3633**

To provide for a system of regulation of the offer and sale of digital commodities by the Securities and Exchange Commission and the Commodity Futures Trading Commission, to amend the Federal Reserve Act to prohibit the Federal reserve banks from offering certain products or services directly to an individual, to prohibit the use of central bank digital currency for monetary policy, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. VAN HOLLEN to the amendment (No. \_\_\_\_\_) proposed by Mr. SCOTT of South Carolina

Viz:

- 1 At the appropriate place, insert the following:
- 2 **SEC. \_\_\_\_ . PREVENTING CRYPTOCURRENCY CORRUPTION.**
- 3 (a) **PREVENTING CRYPTOCURRENCY CORRUPTION.—**
- 4 (1) **DEFINITIONS.—**In this subsection—
- 5 (A) the term “covered digital asset” means
- 6 any cryptocurrency, meme coin, token, non-fun-
- 7 gible token, payment stablecoin, or other digital
- 8 asset that is sold for remuneration;

1 (B) the term “covered individual” means—

2 (i) the President;

3 (ii) the Vice President;

4 (iii) a Member of Congress;

5 (iv) an individual appointed to a Sen-  
6 ate-confirmed position; or

7 (v) a special Government employee (as  
8 defined in section 202 of title 18, United  
9 States Code) associated with the Executive  
10 Office of the President;

11 (C) the term “directly” means by virtue of  
12 the ownership or beneficial interest of a covered  
13 individual, or the spouse or child of a covered  
14 individual, in an issuer of a covered digital  
15 asset;

16 (D) the term “indirectly” means by virtue  
17 of the financial interest of a covered individual,  
18 or the spouse or child of a covered individual,  
19 in a business entity, partnership interest, com-  
20 pany, investment fund, trust, or other third  
21 party in which the covered individual, or the  
22 spouse or child of a covered individual, has an  
23 ownership or beneficial interest;

1           (E) the term “Member of Congress” has  
2           the meaning given the term in section 13101 of  
3           title 5, United States Code; and

4           (F) the term “promote” includes the use of  
5           the name and likeness of a covered individual in  
6           any marketing materials, including in the title  
7           of the covered digital asset.

8           (2) PROHIBITION.—Subject to paragraph (3), it  
9           shall be unlawful for any covered individual, or any  
10          spouse or child of any covered individual, to directly  
11          or indirectly own, control, promote in exchange for  
12          anything of value, or affiliate with any issuer of a  
13          covered digital asset, digital asset service provider,  
14          digital asset intermediary, or any entity that pro-  
15          vides custodial or safekeeping services for covered  
16          digital assets.

17          (3) EXCLUSION.—The prohibition under para-  
18          graph (2) shall not include the mere purchase, sale,  
19          holding, or other conduct relating to financial instru-  
20          ments or assets routinely accessible to any member  
21          of the public.

22          (4) TRANSITION.—Any individual in violation of  
23          paragraph (2) on the date of enactment of this Act  
24          shall, not later than 90 days after the date of enact-

1       ment of this Act, come into compliance with the pro-  
2       hibition under that paragraph.

3               (5) ENFORCEMENT.—

4                       (A) CRIMINAL PENALTIES.—

5                               (i) IN GENERAL.—Beginning on the  
6                               date that is 90 days after the date of en-  
7                               actment of this Act, a violation of para-  
8                               graph (2) shall be punishable by not more  
9                               than 5 years in prison and fines of not  
10                              more than 3 times the monetary value of  
11                              any earnings related to the violation.

12                             (ii) STATUTE OF LIMITATIONS.—No  
13                             person shall be prosecuted, tried, or pun-  
14                             ished for any offense under this subsection  
15                             unless the indictment for such offense is  
16                             found, or the information for such offense  
17                             is instituted, not later than 15 years after  
18                             the date on which the offense was com-  
19                             mitted.

20                       (B) CIVIL PENALTIES.—

21                             (i) CIVIL ACTION.—The Attorney  
22                             General may bring a civil action in any ap-  
23                             propriate district court of the United  
24                             States against any covered individual who  
25                             violates paragraph (2).

1 (ii) CIVIL PENALTY.—Any covered in-  
2 dividual who knowingly violates paragraph  
3 (2) shall be subject to a civil monetary  
4 penalty equal to not more than 10 percent  
5 of the value of the financial interest that  
6 is the subject of the prohibited conduct, or  
7 the amount of financial gain, if any, that  
8 the covered individual benefitted from re-  
9 lating to the prohibited conduct, whichever  
10 is greater.

11 (iii) DISGORGEMENT.—A covered indi-  
12 vidual who is found to have violated para-  
13 graph (2) in a civil action under clause (i)  
14 of this subparagraph shall disgorge to the  
15 Treasury of the United States any profit  
16 from the prohibited conduct that is the  
17 subject of that civil action.

18 (C) NOT AN OFFICIAL ACT.—A violation of  
19 paragraph (2) shall not be deemed an official  
20 act if committed by any covered individual who  
21 is in office at the time of the violation.

22 (b) FINANCIAL DISCLOSURE REPORTS.—Section  
23 13104(b) of title 5, United States Code, is amended—

24 (1) by redesignating paragraph (2) as para-  
25 graph (3); and

1           (2) by inserting after paragraph (1) the fol-  
2           lowing:

3           “(2) DISCLOSURE RELATING TO COVERED DIG-  
4           ITAL ASSET INVOLVEMENT.—

5           “(A) DEFINITIONS.—In this paragraph:

6           “(i) COVERED DIGITAL ASSET.—The  
7           term ‘covered digital asset’ means any  
8           cryptocurrency, meme coin, token, non-fun-  
9           gible token, payment stablecoin, or other  
10          digital asset that is sold for remuneration.

11          “(ii) DIRECTLY.—The term ‘directly’  
12          means by virtue of the ownership or bene-  
13          ficial interest of a reporting individual, or  
14          the spouse or child of a reporting indi-  
15          vidual, in a covered digital asset issuer.

16          “(iii) INDIRECTLY.—The term ‘indi-  
17          rectly’ means by virtue of the financial in-  
18          terest of a reporting individual, or the  
19          spouse or child of a reporting individual, in  
20          a business entity, partnership interest,  
21          company, investment fund, trust, or other  
22          third party in which the reporting indi-  
23          vidual, or the spouse or child of a report-  
24          ing individual, has an ownership or bene-  
25          ficial interest.

1                   “(iv) PAYMENT STABLECOIN.—The  
2                   term ‘payment stablecoin’ has the meaning  
3                   given the term in section 2 of the GE-  
4                   NIUS Act (12 U.S.C. 5901).

5                   “(v) PROMOTE.—The term ‘promote’  
6                   includes the use of the name and likeness  
7                   of a reporting individual in any marketing  
8                   materials, including in the title of the cov-  
9                   ered digital asset.

10                  “(B) REQUIREMENT.—Each report filed  
11                  pursuant to subsections (b) and (c) of section  
12                  13103 shall include a statement of whether the  
13                  reporting individual, or the spouse or child of  
14                  the reporting individual, as of the filing date,  
15                  directly or indirectly owns, controls, promotes in  
16                  exchange for anything of value, or affiliates  
17                  with any covered digital asset issuer, digital  
18                  asset service provider, digital asset inter-  
19                  mediary, or any entity that provides custodial  
20                  or safekeeping services for covered digital as-  
21                  sets.”.

