

**[DISCUSSION DRAFT]**

119<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R.** \_\_\_\_\_

To establish certain digital asset prohibitions with respect to Government officers and employees, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M\_\_\_\_. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To establish certain digital asset prohibitions with respect to Government officers and employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “[To be added] Act  
5 of 2025”.

6 **SEC. 2. PROHIBITION ON COVERED INDIVIDUALS IN CON-**  
7 **NECTION WITH DIGITAL ASSETS.**

8 (a) IN GENERAL.—A covered individual may not—

1 (1) own a digital asset;

2 (2) serve as an officer or director of a digital  
3 asset issuer; or

4 (3) issue, sponsor, promote, or receive any di-  
5 rect or indirect compensation for the sale or mar-  
6 keting or trading of any a digital asset in the United  
7 States or to a United States person.

8 (b) PROHIBITION ON CERTAIN COMPANIES ACTING  
9 ON BEHALF OF A COVERED INDIVIDUAL.—An issuer re-  
10 quired to file reports with the Securities and Exchange  
11 Commission under section 13 of the Securities Exchange  
12 Act of 1934 may not issue or sell, or otherwise transact  
13 with respect to, a digital asset on behalf of a covered indi-  
14 vidual.

15 (c) PENALTIES.—Section 216 of title 18, United  
16 States Code, shall apply to a violation of this section to  
17 the same extent as such section 216 applies to a violation  
18 of section 203, 204, 205, 207, 208, or 209 of such title.

19 **SEC. 3. PROHIBITION ON INDIRECT PARTICIPATION**  
20 **THROUGH INTERMEDIARIES AND BENE-**  
21 **FICIAL OWNERSHIP.**

22 (a) ANTI-EVASION RULE.—A covered individual may  
23 not take any action prohibited by this Act through any  
24 trust, corporation, partnership, limited liability company,  
25 unincorporated association, political committee, nonprofit

1 organization, or other entity or person, including any dig-  
2 ital wallet or protocol, if such covered individual—

3 (1) directly or indirectly exercises control over  
4 such entity;

5 (2) acts through such entity as a beneficial  
6 owner; or

7 (3) has received or expects to receive compensa-  
8 tion, financial benefit, or influence as a result of the  
9 entity's engagement in digital asset activities de-  
10 scribed in this Act.

11 (b) DEFINITION OF BENEFICIAL OWNER.—In this  
12 section, and with respect to an entity, the term “beneficial  
13 owner” includes any individual who, directly or indi-  
14 rectly—

15 (1) has a financial interest in, or receives mate-  
16 rial benefit from a digital asset issuer;

17 (2) has the ability to influence, direct, or con-  
18 trol decisions of such entity or digital asset activity,  
19 whether formal or informal;

20 (3) has any ownership interest of 5 percent or  
21 more in such entity, including through trusts, nomi-  
22 nee arrangements, or contractual rights; or

23 (4) is a grantor, trustee, or beneficiary of a  
24 trust that holds such interests.

1           (c) LOOK-THROUGH REQUIREMENT.—Any prohibi-  
2 tion or disclosure requirement in this Act shall apply to  
3 covered individuals with respect to any digital asset held  
4 indirectly or through any arrangement intended to conceal  
5 beneficial ownership or control.

6 **SEC. 4. DEFINITIONS.**

7           In this Act:

8                   (1) COVERED INDIVIDUAL DEFINED.—The term  
9           “covered individual” means—

10                           (A) the President;

11                           (B) the Vice President;

12                           (C) a Member of Congress; or

13                           (D) the spouse, child, son-in-law, or daugh-  
14 ter-in-law, as determined under applicable com-  
15 mon law, of any individual described in sub-  
16 paragraph (A), (B), or (C).

17                   (2) DIGITAL ASSET.—The term “digital asset”  
18 means any digital representation of value which is  
19 recorded on a cryptographically-secured distributed  
20 ledger, including a stablecoin, a memecoin, and any  
21 financial contract or product or instrument that de-  
22 rives its value from a digital asset, including—

23                           (A) futures, options, or swaps referencing  
24 a digital asset;

1 (B) any security or trust whose primary  
2 assets or benchmark are digital assets;

3 (C) yield-bearing digital asset products in-  
4 cluding staking, lending, or decentralized fi-  
5 nance protocols;

6 (D) non-fungible tokens; and

7 (E) decentralized autonomous organization  
8 tokens.

9 (3) DISTRIBUTED LEDGER.—The term “distrib-  
10 uted ledger” means technology where data is shared  
11 across a network that creates a digital ledger of  
12 verified transactions or information among network  
13 participants and the data are typically linked using  
14 cryptography to maintain the integrity of the ledger  
15 and execute other functions.

16 (4) MEMBER OF CONGRESS.—The term “Mem-  
17 ber of Congress” means a Senator or a Representa-  
18 tive in, or a Delegate or Resident Commissioner to,  
19 the Congress.