

.....  
(Original Signature of Member)

118TH CONGRESS  
2D SESSION

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

To establish the Joint Advisory Committee on Digital Assets, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

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

\_\_\_\_\_  
**A BILL**

To establish the Joint Advisory Committee on Digital Assets, 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 “Bridging Regulation  
5 and Innovation for Digital Global and Electronic Digital  
6 Assets Act” or the “BRIDGE Digital Assets Act”.

1 **SEC. 2. CFTC-SEC JOINT ADVISORY COMMITTEE ON DIG-**  
2 **ITAL ASSETS.**

3 (a) ESTABLISHMENT.—The Commodity Futures  
4 Trading Commission and the Securities and Exchange  
5 Commission (in this section referred to as the “Commis-  
6 sions”) shall jointly establish the Joint Advisory Com-  
7 mittee on Digital Assets (in this section referred to as the  
8 “Committee”).

9 (b) PURPOSE.—

10 (1) IN GENERAL.—The Committee shall—

11 (A) provide the Commissions with advice  
12 on the rules, regulations, and policies of the  
13 Commissions related to digital assets;

14 (B) further the regulatory harmonization  
15 of digital asset policy between the Commissions;

16 (C) examine and disseminate methods for  
17 describing, measuring, and quantifying digital  
18 asset—

19 (i) decentralization;

20 (ii) functionality;

21 (iii) information asymmetries; and

22 (iv) transaction and network security;

23 and

24 (D) examine the potential for digital as-  
25 sets, blockchain systems, and distributed ledger  
26 technology to improve efficiency in the oper-

1           ation of financial market infrastructure and  
2           better protect financial market participants, in-  
3           cluding services and systems which provide—

- 4                   (i) improved customer protections;  
5                   (ii) public availability of information;  
6                   (iii) greater transparency regarding  
7           customer funds;  
8                   (iv) reduced transaction cost; and  
9                   (v) increased access to financial mar-  
10          ket services.

11           (2) REVIEW BY AGENCIES.—Each Commission  
12          shall—

13                   (A) review the findings and recommenda-  
14          tions of the Committee;

15                   (B) promptly issue a public statement each  
16          time the Committee submits a finding or rec-  
17          ommendation to a Commission—

18                           (i) assessing the finding or rec-  
19          ommendation of the Committee;

20                           (ii) disclosing the action or decision  
21          not to take action made by the Commis-  
22          sion in response to a finding or rec-  
23          ommendation; and

24                           (iii) explaining the reasons for the ac-  
25          tion or decision not to take action; and

1 (C) each time the Committee submits a  
2 finding or recommendation to a Commission,  
3 provide the Committee with a formal response  
4 to the finding or recommendation not later than  
5 3 months after the date of the submission of  
6 the finding or recommendation.

7 (c) MEMBERSHIP AND LEADERSHIP.—

8 (1) NON-FEDERAL MEMBERS.—

9 (A) IN GENERAL.—The Commissions shall  
10 appoint at least 20 nongovernmental stake-  
11 holders who represent a broad spectrum of in-  
12 terests, equally divided between the Commis-  
13 sions, to serve as members of the Committee.  
14 The appointees shall include—

15 (i) digital asset issuers;

16 (ii) persons registered with the Com-  
17 missions and engaged in digital asset re-  
18 lated activities;

19 (iii) individuals engaged in academic  
20 research relating to digital assets; and

21 (iv) digital asset users.

22 (B) MEMBERS NOT COMMISSION EMPLOY-  
23 EES.—Members appointed under subparagraph  
24 (A) shall not be deemed to be employees or

1 agents of a Commission solely by reason of  
2 membership on the Committee.

3 (2) CO-DESIGNATED FEDERAL OFFICERS.—

4 Notwithstanding section 1009 of title 5, United  
5 States Code, the Committee shall have two des-  
6 ignated Federal officers or employees, as described  
7 under such section, with each Commission desig-  
8 nating one officer or employee of the Commission to  
9 serve as a designated Federal officer or employee,  
10 from among individuals who possess an under-  
11 standing of digital assets, blockchain systems, and  
12 financial technology.

13 (3) COMMITTEE LEADERSHIP.—

14 (A) COMPOSITION; ELECTION.—The Com-  
15 mittee members shall elect, from among the  
16 Committee members—

- 17 (i) a chair;  
18 (ii) a vice chair;  
19 (iii) a secretary; and  
20 (iv) an assistant secretary.

21 (B) TERM OF OFFICE.—Each member  
22 elected under subparagraph (A) in a 2-year pe-  
23 riod referred to in section 1013(b)(2) of title 5,  
24 United States Code, shall serve in the capacity

1           for which the member was so elected, until the  
2           end of the 2-year period.

3           (d) NO COMPENSATION FOR COMMITTEE MEM-  
4 BERS.—All Committee members shall—

5           (1) serve without compensation; and

6           (2) while away from the home or regular place  
7           of business of the member in the performance of  
8           services for the Committee, be allowed travel ex-  
9           penses, including per diem in lieu of subsistence, in  
10          the same manner as persons employed intermittently  
11          in the Government service are allowed expenses  
12          under section 5703(b) of title 5, United States Code.

13          (e) FREQUENCY OF MEETINGS.—The Committee  
14 shall meet—

15          (1) not less frequently than twice annually; and

16          (2) at such other times as either Commission  
17          may request.

18          (f) DURATION.—Section 1013(a)(2) of title 5, United  
19 States Code, shall not apply to the Committee.

20          (g) TIME LIMITS.—The Commissions shall—

21          (1) adopt a joint charter for the Committee  
22          within 90 days after the date of the enactment of  
23          this section;

24          (2) appoint members to the Committee within  
25          120 days after such date of enactment; and

1           (3) hold the initial meeting of the Committee  
2           within 180 days after such date of enactment.

3           (h) FUNDING.—The Commissions shall jointly fund  
4 the Committee.

5           (i) DEFINITIONS.—In this section:

6           (1) BLOCKCHAIN.—The term “blockchain”  
7           means any technology—

8                   (A) where data is—

9                           (i) shared across a network to create  
10                           a public ledger of verified transactions or  
11                           information among network participants;

12                           (ii) linked using cryptography to  
13                           maintain the integrity of the public ledger  
14                           and to execute other functions; and

15                           (iii) distributed among network par-  
16                           ticipants in an automated fashion to con-  
17                           currently update network participants on  
18                           the state of the public ledger and any other  
19                           functions; and

20                   (B) composed of source code that is pub-  
21                   licly available.

22           (2) DIGITAL ASSET.—The term “digital asset”  
23           means any fungible digital representation of value  
24           that can be exclusively possessed and transferred,  
25           person to person, without necessary reliance on an

1 intermediary, and is recorded on a cryptographically  
2 secured public distributed ledger.

3 (3) DIGITAL ASSET ISSUER.—With respect to a  
4 digital asset, the term “digital asset issuer” means  
5 any person that, in exchange for any consideration—

6 (A) issues or causes to be issued a unit of  
7 such digital asset to a person; or

8 (B) offers or sells a right to a future  
9 issuance of a unit of such digital asset to a per-  
10 son.