

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3633
OFFERED BY MR. SHERMAN OF CALIFORNIA**

Add at the end the following new section:

1 **SEC. ____ . PROHIBITION ON BAILOUTS OF ISSUERS OF**
2 **DIGITAL ASSETS.**

3 (a) IN GENERAL.—A Federal agency may not provide
4 financial assistance to a digital asset issuer or exchange
5 to prevent the failure or bankruptcy of such issuer.

6 (b) EMERGENCY LIQUIDITY FACILITIES.—A digital
7 asset issuer or exchange may not have access to any emer-
8 gency liquidity facility established under section 13(3) of
9 the Federal Reserve Act (12 U.S.C. 343).

10 (c) EXCHANGE STABILIZATION FUND.—The Sec-
11 retary of the Treasury may not use any amounts in the
12 Exchange Stabilization Fund (established under section
13 5302 of title 31, United States Code) for the benefit of
14 a digital asset issuer or exchange.

15 (d) DIGITAL ASSET ISSUER OR EXCHANGE DE-
16 FINED.—In this section, the term “digital asset issuer or
17 exchange” means—

- 1 (1) an issuer of a digital asset (including a per-
- 2 mitted payment stablecoin or digital commodity);
- 3 and
- 4 (2) an exchange on which a digital asset (in-
- 5 cluding a permitted payment stablecoin or digital
- 6 commodity) is traded.

