[DISCUSSION DRAFT]

116TH CONGRESS
1ST SESSION

H. R. _____

To prohibit the listing of certain securities if the issuer, a director of the
issuer, or an executive officer of the issuer buys or sells a managed
stablecoin, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. SAN NICOLAS introduced the following bill; which was referred to the
Committee on __________________

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A BILL

To prohibit the listing of certain securities if the issuer,
a director of the issuer, or an executive officer of the
issuer buys or sells a managed stablecoin, 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. PROHIBITION ON LISTING.
4     Section 6 of the Securities Exchange Act of 1934 (15
5     U.S.C. 78f) is amended by adding at the end the following:
6     “(m) PROHIBITION ON LISTING.—
“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Commission shall, by rule, direct the national securities exchanges to prohibit the listing of a security of an issuer if the issuer, a director of the issuer, or an executive officer of the issuer, after the date of the registration of such security—

“(A) received compensation in the form of a managed stablecoin;

“(B) bought or sold a managed stablecoin;

or

“(C) was otherwise affiliated with a person who bought or sold a managed stablecoin after the date of the registration of the security.

“(2) APPLICATION.—Any rule issued by the Commission pursuant to paragraph (1) shall apply to securities registered with the Commission after the date on which the Commission issues a rule pursuant to paragraph (1).

“(3) DEFINITIONS.—For the purposes of this subsection:

“(B) MANAGED STABLECOIN.—The term ‘managed stablecoin’ means a digital asset that—
“(i) is not a security registered under section 8(a) of the Investment Company Act of 1940; and

“(ii) satisfies one or more of the following:

“(I) The market value of such digital asset is determined, in whole or in significant part, directly or indirectly, by reference to the value of a pool or basket of assets, including digital assets, held, designated, or managed by one or more persons.

“(II) One or more holders of such digital asset, directly or indirectly, are entitled to obtain consideration or other assets, including other digital assets and any sovereign currency of a foreign government or the United States, in exchange for the digital asset, the amount of which payment is determined, in whole or in significant part, directly or indirectly, on the basis of the value of a pool or basket of assets, including digital as-
sets, held, designated, or managed by one or more persons.

“(C) DIGITAL ASSET.—The term ‘digital asset’ means any asset, contract, agreement or transaction, including a representation of an economic, proprietary, or access right, that is stored in a computer-readable form and has or will have a transaction history that is recorded in a distributed ledger, digital ledger or other digital data structure. A digital asset may be a managed stablecoin and a security.”.