

AMENDMENT TO THE RULES COMMITTEE PRINT
119-6
OFFERED BY MS. BROWN OF OHIO

In title I, add at the end the following:

1 **SEC. 113. MANDATORY REPORTING OF CYBERSECURITY IN-**
2 **CIDENTS.**

3 (a) MANDATORY INCIDENT REPORTING.—A digital
4 asset intermediary shall file a report with the applicable
5 Commission not later than 48 hours after detecting any
6 cybersecurity breach, vulnerability, or cyber incident
7 that—

8 (1) results in actual or potential loss of digital
9 assets or data exceeding \$250,000 in value;

10 (2) involves unauthorized access to private keys,
11 custodial systems, or material network infrastruc-
12 ture; or

13 (3) materially disrupts—

14 (A) the operations or trading of the digital
15 asset intermediary; or

16 (B) customer access to the platform of the
17 digital asset intermediary.

1 (b) FORM AND CONTENT OF REPORT.—A report de-
2 scribed in subsection (a) shall include, to the extent known
3 at the time the report is filed—

4 (1) a description of the nature and scope of the
5 cybersecurity breach, vulnerability, or cyber incident;

6 (2) the estimated value of loss or exposure;

7 (3) affected systems or asset classes; and

8 (4) remediation steps taken or planned.

9 (c) ONGOING REPORTING.—A digital asset inter-
10 mediary filing a report under subsection (a) shall supple-
11 ment the report with additional information as the infor-
12 mation becomes available, including forensic assessments,
13 affected user counts, and remedial action outcomes.

14 (d) COORDINATION WITH OTHER LAWS.—Compli-
15 ance with this section shall not relieve a digital asset inter-
16 mediary of any reporting obligation under other applicable
17 laws or regulations, including those imposed by the Com-
18 modity Futures Trading Commission, the Securities and
19 Exchange Commission, another Federal agency, or a
20 State.

21 (e) RULEMAKING.—

22 (1) IN GENERAL.—The Commodity Futures
23 Trading Commission and the Securities and Ex-
24 change Commission shall, not later than 180 days
25 after the date of enactment of this Act, issue joint

1 or coordinated rules specifying the format, method,
2 and timing of reports required under this section.

3 (2) UPDATING OF THRESHOLDS.—The Com-
4 modity Futures Trading Commission and the Securi-
5 ties and Exchange Commission may, by rule, adjust
6 the dollar figure described in subsection (a)(1) to re-
7 flect inflation and evolving market risk.

8 (f) DEFINITIONS.—In this section:

9 (1) APPLICABLE COMMISSION.—The term “ap-
10 plicable Commission” means—

11 (A) the Securities and Exchange Commis-
12 sion, with respect to a broker or dealer that
13 trades in digital assets, an alternative trading
14 system or securities exchange on which digital
15 assets are traded, and a clearing agency that
16 clears digital assets; and

17 (B) the Commodity Futures Trading Com-
18 mission, with respect to—

19 (i) a digital commodity exchange, dig-
20 ital commodity broker, digital commodity
21 dealer, digital commodity custodian, and
22 derivatives clearing organization that
23 clears digital assets; and

24 (ii) any other person or entity not de-
25 scribed in clause (i) or subparagraph (A).

1 (2) DIGITAL ASSET INTERMEDIARY.—The term
2 “digital asset intermediary” means—

3 (A) a digital commodity exchange, digital
4 commodity broker, digital commodity dealer,
5 digital commodity custodian, and derivatives
6 clearing organization that clears digital assets;

7 (B) a broker or dealer that trades in dig-
8 ital assets, an alternative trading system or se-
9 curities exchange on which digital assets are
10 traded, and a clearing agency that clears digital
11 assets;

12 (C) a person or entity that provides digital
13 asset wallets;

14 (D) a digital asset validator; and

15 (E) such other persons or entities as the
16 Commodity Futures Trading Commission and
17 the Securities and Exchange Commission may
18 determine appropriate, by rule.

