

**AMENDMENT TO THE RULES COMMITTEE PRINT**  
**119-6**  
**OFFERED BY MS. WATERS OF CALIFORNIA**

Strike section 203.

Add at the end the following:

1 **SEC. \_\_\_\_.** **REQUIREMENT TO TRANSACT ON THE**  
2 **BLOCKCHAIN.**

3 (a) **IN GENERAL.**—All transactions in a digital asset  
4 by a covered person shall be conducted directly on the  
5 blockchain to which the digital asset relates.

6 (b) **EXEMPTION AUTHORITY.**—The Securities and  
7 Exchange Commission and the Commodity Futures Trad-  
8 ing Commission may each exempt persons registered with  
9 them from the application of this section, if the applicable  
10 Commission determines it appropriate and consistent with  
11 the protection of investors,

12 (c) **COVERED PERSON.**—In this section, the term  
13 “covered person” means:

- 14 (1) A digital commodity issuer.  
15 (2) A digital commodity broker.  
16 (3) A digital commodity dealer.

1           (4) An alternative trading system or exchange  
2           that trades a digital commodity.

3           (5) A person not subject to the application of  
4           the Securities Exchange Act of 1934 by reason of  
5           section 15H of such Act.

6           (6) A person not subject to the application of  
7           the Commodity Exchange Act by reason of section  
8           4v of such Act.

